Call for Investment in Nation’s Infrastructure System Grows Louder

Despite the impasse on long-term infrastructure planning in Congress, several recently-released reports and popular forums have taken up the issue of our nation’s infrastructure and arrived at the same conclusion: lack of planning and investment is sending the United States’ infrastructure system into rapid deterioration, jeopardizing our global competitiveness.

Released in mid-August by Building America’s Future, the report Falling Apart and Falling Behind focuses on the need for investment in our nation’s infrastructure in order to improve upon our nation’s economic vitality and competitiveness. The report specifically names several suggested methods of infrastructure investment that the Coalition for America’s Gateways and Trade Corridors has also championed, such as:

• Targeting federal dollars toward economically strategic freight gateways and trade corridors;
• Permanent implementation of TIGER grants program;
• Expansion of TIFIA;
• Encouraging and rewarding local innovation; and
• National strategy with strict criteria for investments.

The report highlights a juxtaposition that is often lost during budget debates: while our freight traffic is expected to increase 100 percent in the next ten years, the size of our federal investment in transportation infrastructure, as a share of GDP, has been dwindling for decades. As a result, every mode of transportation in the United States - highways and railroads, airports and seaports – fails to meet the demands of the current global economy.

The report plainly states that each passing day of under investment is setting the United States further behind its competition – in 2005 the United States held first place in the World Economic Forum’s economic competitiveness ranking; today the United States holds number 15.
A Message from the Chairman of the Board

The Joint Select Committee on Deficit Reduction has an important task and a heavy burden in searching for spending reductions and revenue increases that will put the federal government on a path to reducing the deficit by $1.5 trillion or more over the next ten years, while not adversely affecting our fragile economic recovery. In early September, the Coalition for America’s Gateways and Trade Corridors Board of Directors wrote the Committee, urging that they consider federal investment in our nation’s transportation infrastructure as a critical component, not only for our near-term recovery goals, but for our continued prosperity in decades to come.

The Committee, led by Senator Patty Murray (D-WA) and Representative Jeb Hensarling (R-TX), is tasked with finding areas where funding can be decreased. In identifying these areas, it is important to remember that our public and private goods movement transportation system is key to our long-term economic vitality and to the ability of American companies to compete in world markets. From coast to coast, infrastructure investment grows jobs here in America and allows us to export our goods to foreign nations reliably, efficiently and profitably. It’s a tool in economic recovery.

Every day in America, businesses rely on more than $2 trillion in on-the-move inventory to satisfy consumers and support efficient, time-sensitive business activity, including manufacturing, mining, construction and agriculture, in addition to retailing. According to the Council of Supply Chain Management Professionals, the share of our economy of goods movement and logistics was 8.3 percent of GDP in 2010. Transportation costs alone accounted for $783 billion spread across trucking, rail, water and air. Reducing the costs of logistics was a key element of national economic growth in the past two decades. It can be again.

A recent article on transportation infrastructure in the highly respected publication The Economist stated the problem directly, “America, despite its wealth and strength, often seems to be falling apart.” The latest American Society of Civil Engineers report on U.S. infrastructure gave a grade of “D” to our infrastructure systems with $2.2 trillion investment needed over the next five years to bring them to “adequate” condition, let alone expanding to serve a growing country. Every measure of transportation system condition in the report has fallen since ASCE first published in 1988.

Our plea to the Committee was that they choose to invest in the infrastructure that keeps goods moving. Freight investment yields short-term economic benefits in the construction, engineering, design and manufacturing/supply industries that bring projects to reality. But, the benefits of freight investment extend long beyond near-term job creation. Access to efficient, free flowing freight infrastructure contributes to all levels of the economy, producing local jobs and tax benefits, improving our standard of living and ensuring the US remains competitive in the global economy.

We know many difficult decisions lie ahead for the Committee Members and we are confident that they will guide our nation to a more sustainable spending level, and a long term fiscal balance. We know also that these Members appreciate the necessity of building a stronger economic base that will be the foundation for long term budget stability.

Mort Downey, Chairman
The Texas Transportation Institute’s 2011 Urban Mobility Report revealed that in America’s largest urban areas alone, truck congestion cost $23 billion in driver time and diesel fuel in 2010 and stressed the need for improvements that will improve truck mobility.

“To put the truck congestion problems into perspective, $7 trillion worth of commodities was trucked on America’s urban streets and highways during 2010,” said Dr. Bill Eisele, a research engineer for the Texas Transportation Institute. “This is greater than the gross domestic product of China and twice that of Germany. This value includes both American-made products and imports.”

The Chicago region had the most truck delay in the nation, losing 31.4 million hours and $2.3 billion in wasted time and fuel. The Los Angeles-Long Beach-Santa Ana, California area ranked second in truck congestion, logging over 30.3 million in lost hours, costing $2.3 billion in wasted time and fuel. The New York City area came in a very close third, totaling 30.2 million lost hours and $2.2 billion in wasted time and fuel.

As the economy grows more robust, congestion will increase in tandem due to an increased flow of goods and traveling public. The report suggests several solutions to the growing problem, including investment in new roads and rail lines, new lanes or connectors on existing roads, and additional lanes and docking facilities at warehouses and distribution centers.

“The findings of the 2011 Urban Mobility Report bring to life the dire conditions our nation has found itself in due to a lack of infrastructure investment,” said Coalition Executive Director Leslie Blakey. “A commitment to investment in goods movement and dedicated funding for a freight program has been a long-standing goal of the Coalition. This study highlights that without immediate action, we will continue to see a rise in congestion, negatively impacting our economic vitality and global competitiveness.”

Adding to the clamoring for transportation investment, The Washington Post paired up with Norfolk Southern to host a Transportation Infrastructure Summit in mid-October. The summit, titled “Fixing America’s Foundation: Rebuilding Transportation Infrastructure” drew a cast of high-level speakers including USDOT Secretary Ray LaHood and House of Representatives Transportation and Infrastructure Committee Chairman John Mica, among others.

“The nation’s transportation infrastructure is at a tipping point,” said Norfolk Southern CEO Wick Moorman in a statement. “We need to chart the way ahead with resolve, and with concrete, achievable plans. It’s a critical discussion — for every mode of transportation — and the idea of bringing together top thinkers with broad perspectives is both timely and very useful.”

LaHood’s message during the summit was clear: Congressional cooperation to pass a long-term bill is necessary to fix our infrastructure system which is becoming “overburdened and obsolete.”

It is the Coalition’s plea that Congress heads this common message and finds the resources and funding mechanisms to reform the United States’ infrastructure into the visionary system it was designed to be.

To read more about the Texas Transportation Institutes 2011 Urban Mobility Report, visit http://tti.tamu.edu/documents/mobility-report-2011.pdf

To read more about Building America’s Future’s Falling Apart and Falling Behind, visit http://www.bafuture.org/report
The Coalition for America’s Gateways and Trade Corridors (CAGTC) is pleased to welcome the following NEW MEMBER:

Puget Sound Regional Council

The Puget Sound Regional Council (PSRC) is central to planning for the future for one of the world’s most dynamic regions - in the heart of Washington state. Guided by the region’s elected leadership, the PSRC develops policies and coordinates decisions about regional growth, transportation and economic development planning within King, Pierce, Snohomish and Kitsap counties. The Council is composed of over 80 entities, including all four counties, cities and towns, ports, state and local transportation agencies and tribal governments within the region.

The Puget Sound region is growing and is expected to continue to retain and attract the talent to keep the region’s thriving over the next several decades.

PSRC works to build a common vision for the future through three connected planning initiatives: VISION 2040, the region’s growth strategy; Transportation 2040, the region’s long-range transportation plan; and Prosperity Partnership, which develops and advances the region’s economic strategy. The agency is a resource for data and forecasting as well as a conduit for funding to maintain and improve transportation.

Puget Sound is a major gateway for international trade to North America. Combined, the Ports of Seattle and Tacoma make up the third largest volume of incoming containers in the United States. The region recognizes the vital role it plays in the global supply chain, and has developed a Regional Freight Strategy within its plans to sustain and grow trade into the future. By integrating freight, transportation, land use and environmental planning, the region strives to effectively sustain its competitive edge and an outstanding natural environment.

Strategies to enhance logistics and international trade are priorities within the region’s economic strategy. The PSRC convenes governments, railroads, ports, shippers, haulers, builders, labor and the full complement of freight interests working together to build the foundations for the future.

The PSRC is delighted to be a member of the Coalition for America’s Gateways and Trade Corridors. For more information on the PSRC freight program contact Sean Ardussi at sardussi@psrc.org or visit our website at www.psrc.org.

For a full list of CAGTC members, visit www.tradecorridors.org
Member Spotlight

TranslinkeD connects people who are working to bring more freight to the region.

The Premier Supply Chain Hub
If it can be built, it can be shipped through our region — a world-class distribution and transportation center. Consisting of Southeast Michigan, Northwest Ohio and Southwest Ontario, our region offers one-of-a-kind access to markets across the United States and Canada and into the global marketplace. Sitting at the heart of the Detroit/Toledo/Windsor international trade region along the Detroit River, it’s an ideal region to access the global supply chain network.

We have the assets and talented workforce to be a hub for the global supply chain network and drive economic development. TranslinkeD is about telling that story. We’re working to do that by bringing the right people together to drive freight to the region and add value, thereby creating jobs and investment.


Manufacturing & Trade Expertise
The Detroit area has over 100 years of manufacturing and trade expertise. We offer a prime location on the U.S. and Canadian border to move goods, offering a competitive value in the country compared to other regions where congestion forces costs to soar.

The Detroit/Windsor border is the busiest trade region in North America. On average, over $1.6 billion in goods cross between the U.S. and Canada every day. Each year, the Detroit and Port Huron borders handle almost $200 billion in trade. This region is the nation’s NAFTA gateway.

A Focus on Workforce Development
A major component of TranslinkeD is ensuring that our region has the qualified workers employers need to grow. Our workforce development team is communicating with employers and discussing their needs to ensure that education and training institutions are molding the workforce that meets those unique needs. As a part of this effort, we’re building a talent portal through which employers, training organizations and institutions, and employees can connect with each other.

MSU Study: 66,000 Jobs and $10 Billion in 10 Years
The Detroit Regional Chamber and Michigan State University partnered in 2010 to quantify the impact of the region becoming a global center of manufacturing supply chain. The initial work of the partnership concluded that over 66,000 jobs and over $10 billion in annual economic activity could be achieved over the next ten years by bolstering our already strong supply chain industry. By leading a supply chain project focused on economic development and an investment in our 235,000 TDL workforce, we can build upon a strong and sustainable economic recovery.

The TranslinkeD Strategy
The TranslinkeD strategy has three main pillars:

- Create a regional focus on logistics and supply chain.
- Communicate the assets, resources and capabilities of Southeast Michigan, Northwest Ohio and Southwest Ontario.
- Cultivate a logistics business culture in the region.

Who We Are
TranslinkeD is the Detroit Regional Chamber’s initiative to create a regional industry cluster of excellence around transportation, distribution and logistics by linking the region’s rich assets in business, talent, infrastructure and location. We connect people who are working to bring more freight to the region and expand the TDL industry, thereby creating jobs and investment.

Contact:
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Senior Director, Transportation, Distribution & Logistics Program
Detroit Regional Chamber
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detroitchamber.com
Southeast Michigan, Northwest Ohio, Southwest Ontario: Your Global Supply Chain Hub

The region is home to the busiest northern border crossing in North America and has the intermodal assets to be the premier hub of the global supply chain network. These resources make our region a reliable, cost-effective supply chain option.

Within the region, there are two bridges, two rail tunnels, two truck ferries and the Detroit/Windsor Tunnel. In addition, the region is supported by nine airports and air fields, three marine ports and eight rail yards.

The trade region is supported by 11 interstate highways reaching from Canada to Mexico while connecting our region to both the east and west coasts. Within the region, there are nearly 4,900 truck route miles of highways and roads. With truck traffic expected to double by 2020, the trade corridor is positioned to assist trucking companies with lowering their costs associated with truck delays in highly congested markets such as Chicago.

Along with a strong trucking industry, we've got a robust network of intermodal facilities and railroads. There are nine intermodal freight facilities spread throughout the region. All major railroads serve the trade region and are able to ship throughout North America. Four national Class I railroads in the U.S. serve the region, which is unique to only a third of the United States. Rail crossings in Port Huron handle the most trade in the country, moving $28 billion of goods each year. Michigan has more than 3,600 miles of track, and Ohio has 5,200 miles. Toledo ranks as one of the top five rail hubs in the country.

The Detroit Region Aerotropolis is yet another asset. We're home to nine airports with nonstop service to more than 160 destinations. The world-class, dual airport system consisting of Detroit Metropolitan and Willow Run airports offers businesses and travelers the connectivity and capacity to access the global market and adds to the overall region's appeal as the cost effective choice for businesses.

Each year, the Detroit and Port Huron borders handle almost $200 billion in trade.

On average, over $1.6 billion in goods cross between the U.S. and Canada every day.

The Southeast Michigan, Northwest Ohio and Southwest Ontario region helps lower costs caused by delays in highly congested markets like Chicago.

The Trade Region Includes:

- Lansing
- Flint
- Detroit & Windsor
- Ann Arbor
- Port Huron & Sarnia
- Toledo

Ship It Here

- The Detroit-Windsor and Port Huron-Sarnia border crossings are the busiest in North America.
- Canada accounts for almost half of U.S. total exports.
- The annual amount of trade over the Ambassador Bridge equals the total U.S. trade with Japan.
- We have access from the major international ports to the heart of manufacturing and production in the United States.
- We offer a prime location on the U.S. and Canadian border to move goods.
National freight policy?
It could start at the state level

The mantra consistently voiced in the freight transportation industry has been over the need for a true national freight policy.

In these cash-strapped, vision-strapped, times, the “kicking the can down the road” approach has become *de rigueur* in Washington D.C.

Perhaps the key to enacting change on the national stage needs to take firmer root at the state level.

This editor had the privilege to address state lawmakers at the Southern Legislative Conference held in Memphis in July.

My presentation was geared towards the idea of knitting together a national freight plan by the states themselves stepping up and realizing they all need each other in a fundamental way in order to make freight mobility work optimally.

One of my points was aimed at Memphis, an ever-burgeoning, major transportation hub, that at the end of the day is only as good as its neighbors, and beyond, for a supply chain to be truly effective.

The U.S. Chamber of Commerce’s Transportation Performance Index focuses on state-by-state transport performance and has found that the U.S. is leaving approximately $1 trillion worth of GDP on the table due to states lagging behind in freight mobility.

So, shouldn’t states have freight policies? I’ll likely hear from some that say they do, and that’s fine, but my bet is most don’t.

What I did sense at the SLC event, is that there is not only true passion at the state level over making freight mobility work better; there is a much higher IQ about it than I’d thought.

It was interesting to listen to state lawmakers talk about how creative they try to be to raise revenue or enact strategic planning during these volatile times where state, county and city budgets are getting cut to the bone.

The optimism and the will to make things happen is still there with state leaders across the board, at least from those I encountered at the conference, even though they’re faced with tough decisions over where to allocate scant funds. States certainly aren’t counting as heavily on Federal support as they once did, nor are they looking to D.C. for leadership at a time where there doesn’t seem to be much; especially from the U.S. Congress, where bi-partisan bickering and lines drawn in the sand rule the day.

So how about a grassroots push for a national freight policy at the state level? If credible freight policies started sprouting around the country, could they not serve as a laboratory of good ideas at the national level?

I think they can, and frankly, while our national leaders take more time off the clock, it’s possible our states might be where freight finds its vote.

- Peter Hurme, Publisher and Senior Editor, Cargo Business News

*Reprinted with premission of Cargo Business News from the August 2011 issue*
Port’s steady growth delivers strong economic benefit

VANCOUVER, Wash. (October 26, 2011) – The Port of Vancouver USA announced today that overall job numbers tied to port activities increased slightly over the past five years despite the struggling economy. According to a recently completed economic impact study, job growth linked to an increase in the port’s marine business made up for a slight decrease in jobs associated with the port’s industrial tenants and customers.

Total number of jobs directly generated by port marine and industrial activities in 2010 was 2,337; a small gain over 2,268 direct jobs in 2005.

Strong marine cargo growth in exported wheat, scrap metal and mineral exports, combined with increased wind energy imports, added 290 direct jobs related to the port’s marine business. More reflective of the recession, the industrial side of port operations lost 221 direct jobs.

“The Port of Vancouver’s growth in marine cargo and the resulting job creation is unusual in today’s economy,” said John Martin, the study’s lead economist. “It not only benefits the port, but the entire Southwest Washington community.”

Approximately every five years, the port commissions an economic impact study to measure its economic influence in Clark County and the Pacific Northwest. Last conducted in 2006, and now again in 2011, the studies assist port commissioners and executives in planning the port’s future. The economic analysis is also a key component in the port’s integrated decision making process when evaluating cargo mix and prospective tenants.

Information is presented on port-related jobs, salaries, business revenues and tax generation, all aimed at helping the port measure its success in delivering economic benefit to the local and regional economy.

Additional highlights of the study include:

- Total jobs associated with port activities (including direct, indirect, induced and influenced jobs) equaled 16,996 in 2010; up from 15,580 in 2005.
- The 2,337 jobs directly generated by port marine and industrial activities paid $116.3 million in wages and salaries in 2010, up from $98.75 million in 2005.
- Port business activities contributed $80.8 million in state and local taxes in 2010, supporting public services such as police and fire protection. There was no change in the amount of state and local taxes paid in 2010 in comparison to 2005.
- Port business activities injected $1.664 billion into Southwest Washington in 2010, a slight decrease from $1.693 billion in 2005.

The study was conducted by Martin Associates. The firm is based in Pennsylvania and conducts similar studies for major ports through the U.S. and Canada. Copies of the report can be found on the port’s website at www.portvanusa.com.

About the Port of Vancouver USA
The Port of Vancouver USA, created by Clark County taxpayers in 1912, is one of the major ports on the Pacific Coast. Its competitive strengths include available land, versatile cargo handling capabilities, vast transportation networks, a dependable labor force and an exceptional level of service to its customers and community. For more information, please visit us at www.portvanusa.com.
Washington State DOT’s Operation I-5 Partnership Project wins America’s Transportation Awards People’s Choice Award

Sponsored by AASHTO, AAA and The US Chamber of Commerce, WSDOT took home the People’s Choice Award during the fourth annual America’s Transportation Awards competition. The award was announced during AASHTO’s Annual Meeting which took place earlier this month in Detroit, MI.

WSDOT’s winning project, Operation I-5 Partnership to Relieve Congestion, is located between Tacoma and Olympia, running through the Lewis-McChord military base. WSDOT worked with federal, state, local and military sector leaders to solve the area’s traffic problems.

"These projects best demonstrate the wonderful work that state transportation departments are doing all across the country," said AASHTO Executive Director John Horsley. "In this time of fiscal constraint, it's important that we recognize some of the numerous projects that finish ahead of schedule, under budget, and use innovative strategies, translating into savings for taxpayers and a better transportation system for moving people and goods."

WSDOT was awarded $10,000 to support a charity or academic scholarship of the DOT’s choosing.

President Obama visits Brent Spence Bridge

Following on the heels of his "jobs speech" to Congress, on September 22 President Obama traveled to the bridge he highlighted as a piece of our nation’s infrastructure in vital need of investment: the Brent Spence Bridge.

Located at the convergence of three major interstates, the bridge moves $400 billion of freight and goods through the Greater Cincinnati/Northern Kentucky area annually. As the President pointed out, this vital link in our nation’s freight system is in need of repair as it is currently supporting a level of use that far exceeds its design.

Investment in the Brent Spence Bridge is championed by Coalition member The Ohio-Kentucky-Indiana Regional Council of Governments.

President Obama’s appeal parallels the work of the Coalition for America’s Gateways and Trade Corridors by emphasizing the immediate need for transportation infrastructure investment and recognition of transportation investment as a long-term economic driver.
Not only has our population boomed since then, putting more vehicles on our roadways, but our county’s freeway system is also highly impacted by heavy truck traffic moving goods through Nationally-significant trade corridors that connect the ports and Los Angeles Basin with the rest of the nation. There are only three major freeways out of this Basin, making these corridors critical to interstate commerce and international trade.

The busiest route used to transport goods out of Southern California takes trucks right through the heart of San Bernardino County via the I-15 and I-215 Freeways, through Cajon Pass, and on to the rest of the nation. Located at the base of Cajon Pass, the I-15/I-215 Devore Junction Goods Movement Improvement Project is SANBAG’s highest transportation improvement priority. These two freeways merge just as heavy freight traffic, recreational vehicles, and high desert commuters begin climbing through the mountainous Cajon Pass, and this Junction is considered one of the worst grade-related bottlenecks in the nation. Serious safety conditions exist with the merging of the various types of vehicles. More than one million vehicles pass through this Junction every week, averaging 160,000 vehicles per day. By 2040, the California Department of Transportation predicts this Junction will be burdened with 379,000 vehicles per day.

Not only is this Junction a congestion chokepoint, but an inadequate interchange design and serious deterieration from years of heavy usage compound the problem further. The original design was never intended to handle this amount of traffic.

For all these reasons, the junction is being redesigned and will be reconstructed to add vehicle lanes and truck by-pass lanes. This will result in safer conditions with less weaving among different types of vehicles. The entire Junction will be returned to a “state of good repair,” and historic Route 66 will be reconnected under the Junction to provide another route for local traffic and emergency access.

Rebuilding the Devore Junction will cost $324 million. To date, the State of California has committed 42.5% of the funding, SANBAG has committed 47.7% of the funding, and Federal grants have been obtained for less than 1% of the funding.

Because this project will provide significant benefit to the nation, SANBAG is asking Federal sources to contribute more toward completion of the funding package for these much-needed improvements in the form of a $30 million Federal TIGER III Grant (Transportation Investment Generating Economic Recovery Grant) for the I-15/I-215 Devore Junction Goods Movement Improvement Project. Without this Federal commitment, the project could lose State funds if construction is not started by 2012. Putting the last piece of the funding puzzle in place will allow the construction to commence in 2012 utilizing an innovative method called “Design-Build.” Using this method, the contractor both designs and constructs the project as a way to get the project completed sooner. Earlier construction of this project also means bringing much-needed jobs sooner to a region plagued with 14% unemployment.

We urge residents, businesses, and truckers to call or write Congress and the US Department of Transportation, asking them to support SANBAG’s TIGER III Grant proposal. Completion of these improvements will provide a Junction that will be safer, uncongested for years to come, and as importantly, will put people back to work.

This Op-Ed appeared in several California newspapers in mid-October.
Transportation, Energy Ministers from Asia-Pacific Nations Pledge Cooperation on Cleaner, More Energy-Efficient Transportation

SAN FRANCISCO (September 13, 2011) – Transportation and energy ministers from 21 economies in the Asia-Pacific region today agreed to continue progress on initiatives to make transportation in the region cleaner and more energy-efficient, U.S. Transportation Secretary Ray LaHood and U.S. Energy Secretary Steven Chu announced today.

The announcement came during the first-ever joint Transportation and Energy Ministerial Conference held by the Asia-Pacific Economic Cooperation (APEC), the principal economic organization for the region. Secretaries LaHood and Chu hosted the San Francisco meeting.

“To create jobs and lay the foundation for a prosperous future, we must grow our economies while staying mindful of 21st-century challenges like climate change and energy efficiency,” Secretary LaHood said. “Our roadways, runways, railways, waterways, and transit systems all must move greater numbers of people and products while leaving a smaller environmental footprint.”

“Transportation is directly tied to our energy challenges,” Secretary Chu said. “To achieve economic prosperity, strengthen energy security, and protect the environment, we can – and must – move to a sustainable transportation future.”

Recognizing that transportation accounts for a large share of energy use and greenhouse gas emissions, the ministers directed their energy and transportation working groups to study ways that APEC members could make their transportation systems more energy-efficient. The ministers noted that APEC economies are making good progress toward the goal, adopted by the organization in 2007, of reducing the use of energy in economic activity by at least 25 percent by 2030, and called for efforts to make further improvements. They also called for further efforts to phase out subsidies that promote the use of fossil fuels.

Other actions called for by the ministers include:

- **Developing energy-efficient transportation systems for livable, low-carbon communities** – The ministers recognized how livable communities contribute to reducing energy use, carbon emissions and travel times. They called for the development of performance measures to evaluate how locating development near transit, expanding rail and bus service, and promoting bicycling and walking contribute to more energy-efficient transportation.

- **Providing alternative fuels for transportation** – The ministers called for the promotion of biofuels, natural gas vehicles and electric vehicles to reduce the use of oil in transportation. They also stressed the need to maintain consumer confidence in electric vehicles by taking precautionary steps to ensure their safety, and called for harmonized approaches to addressing the safety of these vehicles.

- **Making freight transportation more energy-efficient** – Because freight transportation accounts for a substantial share of energy use in the APEC region, the ministers said that the working groups would develop strategies and best practices for improving energy efficiency in the movement of freight. They also called for measures to encourage shippers to switch from energy-intensive transportation modes, such as trucks, to more efficient rail and maritime transportation.

Today’s joint Transportation and Energy Ministerial Conference will be followed tomorrow by the 7th Transportation Ministerial Meeting, during which APEC transportation ministers will further discuss promoting innovative, environmentally sustainable transportation. They also will discuss the need for enhancing regulatory cooperation among the APEC economies and with relevant international organizations as appropriate, and for strengthening regional integration by removing barriers to trade and investment.

Source: US DOT
House PORTS Caucus Formed

On October 25, Congresswoman Janice Hahn (D-CA) and Congressman Ted Poe (R-TX) formed a bipartisan caucus in the House of Representatives titled “Ports Opportunity, Renewal, Trade and Security” (PORTS Caucus). According to a statement released by Congresswoman Hahn, the mission of the caucus will be to protect U.S. ports and promote their importance to the nation’s economy — U.S. ports support 13.3 million jobs and account for $3.15 trillion in business activity to the economy.

“As a long-time advocate for the Port of Los Angeles, I understand how vital the ports are for our nation’s economy,” said Rep. Hahn in a statement. “This bi-partisan caucus will bring together Members who represent diverse ports across the country, so we will find ways together to promote our ports and keep them safe.”

“Promoting and protecting our nation’s ports is critical to both national security and economic security,” said Rep. Poe. “Ports are the gateway in and out of the United States. They are our country’s link to the rest of the world and the global economy. I look forward to working with Representative Hahn to building an effective congressional caucus that advocates on the behalf of ports nationwide.”

“Ports are a critical piece of our nation's economic infrastructure,” said Geraldine Knatz, Executive Director of the Port of Los Angeles in a statement released by Congresswoman Hahn’s office. “Maintaining secure, reliable and efficient seaports will generate much needed jobs and make American businesses more competitive abroad. Because our nation’s seaports must remain a national priority, we stand ready to support Rep. Hahn and Rep. Poe’s efforts to advance the issues of ports and the communities they serve.”

FMC Announces Notice of Inquiry to Review Loss of Harbor Maintenance Tax to Cargo Diversions

On October 5, Federal Maritime Commission (FMC) Chairman Richard Lidinsky announced that the FMC unanimously voted to perform an inquiry of “the U.S. Harbor Maintenance Tax and other disparities that may be driving U.S.-bound cargo from U.S. ports.” The announcement follows Senators Patty Murray and Maria Cantwell, both of Washington State, writing to the FMC asking that this issue be examined as they fear that ports in the Pacific Northwest may be losing a great deal of business to Prince Rupert.

“Although the [Harbor Maintenance Tax] has existed since 1986, it has become a more significant competitiveness issue with the development of new Canadian and Mexican seaports along the West Coast, and it appears that the HMT may be a key factor causing U.S. ports to lose a growing share of imported container cargo from Asia,” said Senators Murray and Cantwell in their letter to Chairman Lidinsky.

U.S.-bound cargo arriving in Prince Rupert is commonly shipped via rail or truck into the United States, thus avoiding the Harbor Maintenance Tax. The FMC has also received a number of complaints that the Canadian government is unfairly subsidizing freight rail transportation from Prince Rupert, though Chairman Lidinsky has said that the FMC has no evidence of this.

The FMC’s inquiry will solicit comments and information on a volunteer basis from the public and private sectors of the United States, Mexico and Canada. The notice of inquiry will likely be published in the next week or two and at that time a method of submitting comments and timeline will be established.
All States Received More Funding Than They Contributed in Highway Taxes from 2005 to 2009

GAO
October 2011

From 2005 to 2009, every state received more funding for highway programs than they contributed to the Highway Account of the Highway Trust Fund. This was possible because more funding was authorized and apportioned than was collected from the states, and the fund was augmented with about $30 billion in general revenues since fiscal year 2008. If the percentage of funds states contributed to the total is compared with the percentage of funds states received (i.e., relative share), then 28 states received a relatively lower share and 22 states received a relatively higher share than they contributed. Thus, depending on the method of calculation, the same state can appear to be either a donor or donee state.

The Equity Bonus Program was used to address rate-of-return issues. It guaranteed a minimum return to states, providing them with about $44 billion. Nearly all states received Equity Bonus funding, and about half received a significant increase—at least 25 percent—over their core funding.

The infusion of general revenues into the Highway Trust Fund affects the relationship between funding and contributions, as a significant amount of highway funding is no longer provided by highway users. Additionally, using rate of return as a major factor in determining highway funding poses challenges related to performance and accountability in the highway program; in effect, rate-of-return calculations override other considerations to yield a largely predetermined outcome—that of returning revenues to their state of origin. Because of these and other challenges, funding surface transportation programs remains on GAO’s High-Risk list.


continued on Page 10
Leading freight group applauds Senate highway plan

*DC Velocity*
July 21, 2011

[http://www.dcvelocity.com/articles/20110721/freight_group_applauds_senate_highway_plan/](http://www.dcvelocity.com/articles/20110721/freight_group_applauds_senate_highway_plan/)

Should we tax, borrow, or spend to build infrastructure?

*Washington Post*
August 18, 2011


What's the best way to get to work and play?

*Sun Sentinel*
August 23, 2011


2nd bridge to Canada called for at conference

*The Blade*
September 21, 2011


Report Says 2010 Road Congestion Cost $101 Billion

*Journal of Commerce*
September 27, 2011

Upcoming Events

November 6-9: National Highway-Rail Grade Crossing Safety Conference, Wyndham Hotel, Galveston, TX

November 13-15: IANA’s Intermodal Expo, Georgia World Congress Center, Atlanta, GA

January 4-7: NRC Conference 2012, The Hotel Del Coronado, San Diego, CA

CAGTC is getting social!

The Coalition for America’s Gateways and Trade Corridors is now on Facebook and Twitter.

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&

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On Facebook or Twitter? Let us know!
Why Join CAGTC?

Shape Policy
CAGTC Members have the opportunity to help shape policy and legislation with an organization that is known for getting results on the Hill. Membership gives you a seat at the table as our positions are vetted, debated, finalized and carried to the halls of Congress, where we then pull out the votes. All members are invited and encouraged to participate in our various policy and planning committees, which meet by phone, email and, occasionally, in person.

Up To Date Information
CAGTC strives to keep our members well informed and keyed in on important national freight developments. Because our work focuses solely on goods movement issues, we are able to disseminate concise, lightening-quick updates. Our members often tell us that CAGTC delivers information quicker than any of their other DC connections!

Access
CAGTC holds one annual, in-person meeting every spring, with impressive member turn out. In addition to our annual meeting, we hold smaller member events on a regular basis, such as our Congressional Goods Movement Briefing each spring and our Trade Corridor Summit in 2007. We also meet regularly with Congressional Members and staff and with the Administration. All of these meetings are free and open to members. Given that this is authorization time, we expect our calendar for Hill visits to book up quickly - in the run up to SAFETEA-LU, CAGTC held over 500 meetings with policy makers!

Member Promotion
In all our endeavors, the Coalition highlights its member organizations as examples of good projects and how the process should work. We do this in our regular meetings on the Hill, at conferences and during presentations and in our newsletter, which goes out every other month. Members have a spotlight for recent achievements, a sounding board of experts for advice, as well as an opportunity to network with likeminded organizations.

To learn more contact:
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For more information about The Coalition for America’s Gateways and Trade Corridors or for newsletter submissions, please visit our website at www.tradecorridors.org or contact us at 202.828.9100 or enessle@blakey-agnew.com.