House has 90 Days to Work Out Differences

While the Senate passed a surface transportation bill in mid-March with a good deal of bi-partisan support, the House of Representatives is still struggling to find a bill that would gain the support of 218 Members. House leadership has explored a number of options, such as shortening the length of the bill, restoring the Mass Transit Account to the Highway Trust Fund, and using an assortment of “pay-fors” to finance the bill.

Unable to identify a prescription pleasing to a majority of House members prior to the expiration of SAFETEA-LU’s eighth extension, the House passed a 90 day extension during the final week of March. The Senate, somewhat grudgingly, passed the extension as well, with members of both chambers warning that this will be the last extension that passes.

Senate Environment and Public Works Committee Chairman Barbara Boxer (D-CA) continues to champion her Senate-passed bill, Moving Ahead for Progress in the 21st Century (MAP-21), and has encouraged the House to pass the same bill.

MAP-21 represents a milestone in the evolution of freight policy and funding. The bill, which maintains current funding levels that have been indexed for inflation, creates a freight formula program, requires the development of a freight plan, and establishes a national freight policy.

The bill eliminates and consolidates a number of pre-existing programs, but it does create one new core highway program: the National Freight Network Program. The program provides just over $2 billion for FY2012 and FY2013 each, with the money being distributed through formula funding for infrastructure improvements that strengthen our freight network, reduce congestion and increase productivity.
A Message from the Executive Director

March Madness

Ahh! The games people play! As March 2012 closes out, Congress has passed another (the ninth) eleventh hour extension of the current authorization for surface transportation programs. Once again, we can hold our collective breath for ninety more days while uncertainty hovers over state and local authorities watching the construction season unwind. Let’s call this ”The Waiting Game,” which, as games go, is not highly recommended because it’s very expensive and not at all fun. But, it is 100% political.

Forestalling construction on needed projects and delaying maintenance and upgrades for existing assets, all because of uncertainty over the availability of funding takes the “penny-wise, pound-foolish” proverb up several orders of magnitude. If transportation history has taught us anything, it’s that temporary extensions are expensive and it’s John Q. Public that ends up being gouged. Everyone who has worked in transportation can draw on examples of inflated material costs, wasted labor, expensive studies for on-hold projects going to waste, and project costs escalating as conditions deteriorate — all because enacting a new transportation authorization has become a one-step-forward / three-steps-back process. Let’s call it “The Hokey-Pokey.”

Now, for many months, hardliners who deem infrastructure investment as “living beyond our means” and compromise as “irresponsible” have played a very successful game of “King of the Hill” — stymieing progress on a long-term authorization bill and adequate infrastructure investment resources to support our economy. But even as this way of thinking defies logic, Congress is going home for an Easter/ Passover recess and a chance to hear from constituents, whom we can only hope have maintained a certain amount of common sense, even if their elected representatives haven’t. What should these voters be saying? Tell Congress “Whether you’re on the side of small government or large, more or less, the most wasteful government is one that doesn’t work. The game of ‘Kick the Can’ won’t do.”

Furthermore, we should hold our leaders to an obligation to the needs of our nation in the future. Deputy FRA Administrator Karen Hedlund was quoted in Secretary LaHood’s blog as saying, “It’s simple. No economy can grow faster than its transportation network can carry it.” Simple and true. This comment was part of her remarks at the groundbreaking of a new Osage River Rail Bridge to relieve a major mid-western freight bottleneck. The Secretary’s blog also pointed out a clear reality: “By 2050, the US will be home to 100 million more Americans—Americans who will all need to go to school, work, the doctor, and the grocery store. Americans who will put an even greater strain on our highways, byways, and railways, slowing our ability to move the goods that drive our national economy.”

Continued on page 3
The Senate-passed bill also preserves SAFETEA-LU’s Projects of National and Regional Significance (PNRS) grant program, which provides funding for mega-projects that have difficulty receiving money through traditional financing mechanisms. While not explicitly a freight program, freight-focused projects accounted for 73% of SAFETEA-LU’s PNRS funding.

The House’s committee-approved proposal, H.R. 7, does not currently provide a grant program for large freight projects, however, an amendment to restore PNRS has been championed by a bi-partisan group of Members including Jean Schmidt (R-OH), Steve Chabot (R-OH), Jerrold Nadler (D-NY), Daniel Lipinski (D-IL) and Robert Dold (R-IL).

Although the 90 day extension would ideally afford Congress time to strike a bipartisan agreement and pass a surface transportation bill that appeals to a majority of Members, the most imminent challenge of passing a bill in the House presents a major stumbling block. While many House Democrats have urged passage of the Senate’s MAP-21, the majority of House Republicans see the bill’s funding levels as irresponsible in these financially trying times. Even among House Republicans, a number of factions have formed and House leadership has the difficult task of pacifying a wide-ranging number of concerns.

Once the House has found a solution that appeases enough Members to pass a bill, that bill will meet MAP-21 in conference and the two bills, which stand to be multiple years and billions of dollars apart, will need to be molded into a compromise prior to June 30 when the current extension expires.

Meanwhile, the demand for goods is growing even faster than the population. Failing to recognize the needs of our goods movement infrastructure and provide the policy and resources to accommodate growth will only disadvantage our economy in the near term and stifle it in the future. It’s a game of “Let’s Pretend” that we can’t afford.

So, for now, the transportation community plays the Waiting Game, while the politics of the Hokey-Pokey allow the Kings of the Hill to push everybody else aside where they Kick-the-Can and say “Let’s pretend these future needs will all take care of themselves!” Hmm...Sad games indeed.

On March 30, when the 90-day extension became the only game Congress could agree to play, Rep. LaTourette wryly commented to Politico’s Morning Transportation, "The 90 days gives everyone a little breather - everyone’s going to go home and bask in the admiration of their constituencies and I’m sure they’ll come back and be much more receptive than they were today to compromise." Can we possibly hope for a game-change?

Leslie Blakey, Executive Director
DON’T MISS THE YEAR’S MOST IMPORTANT MEETING ON U.S. FREIGHT POLICY

2012 ANNUAL MEETING
COALITION FOR AMERICA’S GATEWAYS AND TRADE CORRIDORS

MAY 9, 2012
Washington DC

Meeting is free and open to the public. Registration is required and space is limited.

For questions and registration, please call 202-828-9100 or email enessle@blakey-agnew.com

Members Only Meeting Takes Place on May 10

For additional meeting details please visit our website www.tradecorridors.org/annual-meeting
The Coalition for America’s Gateways and Trade Corridors is pleased to welcome the following **NEW MEMBER:**

PORT MIAMI

**Growing the Port, Growing the Business**
PortMiami is charting an ambitious course. This includes more than $2 billion in infrastructure improvements to ensure we remain competitive in the international marketplace. Growth is possible only through strong relationships with our partners in both the cargo and cruise industries—and our ability to operate an efficient port.

While we are committed to growing our port, and growing our business, we are equally committed to being a good neighbor. PortMiami will grow only in a manner that supports sustainability and complements our unique environment on Biscayne Bay and the surrounding urban neighborhoods.

**Here are the highlights of what’s happening at PortMiami:**

**Deeper Channel**
To gear up for 2014 and the opening of the expanded Panama Canal, PortMiami is deepening its waters to -50 feet to accommodate the new generation of super-sized cargo ships.

The goal is to double containerized cargo traffic over the next decade. As the only Port south of Norfolk, Virginia scheduled to be at this depth PortMiami is well positioned to capture new trade especially with Asian markets, creating thousands of new jobs throughout the State of Florida. This U.S. Army Corps of Engineer project is scheduled for completion in 2014 in sync with completion of the expanded Panama Canal.

**On-Port Rail Connection**
Rail freight is returning to PortMiami! In partnership with Florida East Coast (FEC) Railway, PortMiami is re-establishing on-port rail service to the intermodal rail yard in Hialeah with links to the national rail system.

It’s all about connectivity. No other port on the East Coast will be able to move cargo faster and cheaper to key U.S. markets in the heartland than PortMiami-FEC service. More than 70% of the U.S. population is reachable by rail from PortMiami within a maximum of a 1-4 day transit time.  

(continued on page 6)

For a full list of CAGTC members, visit www.tradecorridors.org
Coalition News

(Continued from page 5)

Fast Tunnel Access
Now under construction, a new tunnel under Biscayne Bay will directly link PortMiami to Florida’s Interstate System providing quicker and easier access to Port facilities for both cargo traffic and cruise passengers. Time is money in the maritime business! The new tunnel will speed both trucks and automobiles from I-95 to the Port without a single traffic light, helping to alleviate traffic congestion on downtown Miami’s residential and commercial streets. The project is on schedule for completion in 2014.

More Cruise Lines
PortMiami’s already impressive line-up of cruise brands is expanding. Disney Cruise Lines will begin sailing from PortMiami in December 2012. Regent Seven Seas Cruises and MSC Cruises USA, both now operating out of Port Everglades, are moving to PortMiami in 2012 and 2013 respectively.

Headquarters of the world’s largest and most prestigious cruise lines, and with more than four million passengers each year, PortMiami is the undisputed Cruise Capital of the World. Over the next year, three new build ships will join the PortMiami fleet including the Carnival Breeze, the Celebrity Reflection and Oceania Rivera.

Customer Focus
For both cruise and cargo, this means ensuring maximum efficiency in moving people and goods on and off the port. Ground transportation improvements, automated cargo gates, and technology advanced security systems all contribute to a secure and customer friendly port.

The goal is not only to meet customers’ needs, but to surpass their expectations. As Sam Walton, the founder of Walmart, put it: “The goal is to have customer service that is not just the best, but legendary.”

Environmentally Responsible
PortMiami is surrounded by a natural environment that includes sea grass and marine life, along with a vibrant downtown with both commercial and residential neighborhoods. Our mission is to operate the state’s top container port and world’s leading cruise port in a way that supports sustainability. Protecting the surrounding environment is a major component in how the Port operates now and will grow in future.

The Port recently completed its 2035 Master Plan which will guide future development over the next two decades. For information on the master plan, and to learn more about Port projects, visit www.miamidade.gov/portofmiami.
The Gateway Cities Council of Governments (COG) is comprised of the 27 cities of Southeast Los Angeles County, as well as the County of Los Angeles and the Port of Long Beach. Our organization’s mission is to improve our region of over 2 million people in four primary areas: Transportation, Air Quality, Housing and Economic Development.

The Gateway Cities are sometimes called the epicenter of goods movement in Southern California. About 40% of the nation's containerized cargo transits the Port of Long Beach and its neighbor the Port of Los Angeles, and most of these containers travel by road or rail through the Gateway Cities. Moreover, further cargo growth is anticipated here, at the largest maritime port complex in the United States.

Nationally significant examples of freight infrastructure are located either entirely or partly within the Gateway Cities. One of the most notable is the Interstate 710 Freeway, which serves the port complex and could be called the transportation spine of the Gateway Cities. The COG is on the cutting edge as it explores ways to increase the capacity of this corridor, as further described below. Other significant local infrastructure includes the Alameda Corridor, a rail freight expressway; the Gerald Desmond Bridge, over which 15 percent of the nation's container cargo passes; and major intermodal rail yards including Union Pacific’s Intermodal Container Transfer Facility and Burlington Northern Santa Fe’s Hobart Yard. Lesser-known but locally significant freeways including State Route 91 and Interstate 605 carry a substantial share of freight trucks, both port-related and others.

In addition to, and because of, this transportation infrastructure, the Gateway Cities are also home to many industrial centers, factories, distribution and warehouse structures, and retail locations that make up a vital component of the region's and nation's freight management system.

As the home to all this freight-related infrastructure, the Gateway Cities enjoy both benefits and adverse impacts from goods movement. An estimated 70,000 to 90,000 jobs in Gateway Cities are linked to international goods movement. Cities enjoy sales and property tax revenue from industrial and retail businesses that use, generate, or sell goods. At the same time, many Gateway City neighborhoods are located close to freight transfer and transportation facilities. Community members often link this proximity to adverse effects including light, noise, air pollution, vibration, and elevated asthma rates among children.

The Gateway Cities have dedicated substantial resources to understanding these trade-offs, and have sought ways to alleviate the impacts while continuing to enjoy or even strengthen the benefits of being the epicenter of goods movement. Since Interstate-710 may have to accommodate up to 90,000 truck trips per day in the future, the COG has led the effort to provide sufficient capacity for the anticipated growth while reducing local adverse impacts, and has pioneered the study of a potential dedicated freight corridor. On behalf of its members, the COG has undertaken special studies of air quality in the Gateway Cities and has administered a program that retrofitted over six hundred older port-serving trucks with cleaner-burning drive trains.

The COG has conducted traffic studies to identify the routes most used by freight trucks, as well as the associated impacts. It has reached out to the goods movement industry and technology providers to develop an Intelligent Transportation Systems, or ITS, strategy designed to help freight move more reliably and with less impact on communities. The COG Board has heard presentations from a full range of alternative and zero-emissions freight movement technology providers, advancing the understanding of how and when such systems could be commercially deployed.

The Gateway Cities COG has been a member of the Coalition for America’s Gateways and Trade Corridors for the better part of a decade. This is because CAGTC is able to ensure that the needs of the communities that host freight facilities are understood and considered in the formulation of federal transportation policy.
IANA Announces 2011 was Record-Setting Year for Intermodal Container Volume

Overall Volume Posts Eighth Consecutive Quarter of Year-Over-Year Gains

Intermodal container volume set a new record in 2011 with 12.4 million moves, beating former record-year 2007 by a noteworthy 3.7%, according to IANA’s Intermodal Market Trends & Statistics report released today. The North American intermodal industry showed its resilience during Q4 2011, delivering solid overall volume increases of 4.1% for the quarter and 4.9% for the year. It was intermodal’s second-consecutive year and eighth-consecutive quarter of year-over-year volume gains.

### Fourth Quarter 2011 Intermodal Volume Comparisons

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### Overall 2011 Intermodal Volume Comparisons

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<td>6,160,151</td>
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<td>ISO Containers</td>
<td>7,250,387</td>
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<td><strong>Total</strong></td>
<td>13,410,538</td>
<td>14,071,525</td>
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Record Q4 container volume was largely due to continued strength in domestic container loadings, which skyrocketed over 12% during the quarter and totaled 4.93 million for the year. This was a 9.6% increase over 2010’s total. Gains in domestic containers were solid in all IANA regions during the quarter. Big box domestic loadings of 48’ and 53’ domestic containers also posted their highest-recorded numbers in Q4 and the year, accounting for 39.8% of all container volume during 2011.

*Source: IANA*

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Maritime Week Americas 2012 (May 21-25) will be held in Panama, one of the greatest maritime centres in the world and right at the heart of some of the most exciting changes impacting the global shipping, port and bunkering industries today.

**Featuring:**
- MWA Bunkers (the largest annual bunker conference in the Americas);
- MWA Ports – Intermodal: Countdown to 2014 – An Assessment (a major conference on port logistics, investment and developments);
- MWA Shipping (a one-day conference on ship registries);
- IBIA one and twoday bunker training courses, several technical and commercial workshops, port-related seminars, a world-class exhibition, exclusive field trips to the Panama Canal and the canal expansion site, and a spectacular variety of networking activities.

To learn more please visit our website: [www.maritimeweekamericas.com](http://www.maritimeweekamericas.com) or contact our Event Sales team: Email: events@petrospot.com Tel: +44 1295 814 455
Press Release

Governor O'Malley and Port of Baltimore Welcome Fifth-Largest Container Shipping Company in the World

New Business Could Create Nearly 600 New Jobs for Maryland

Governor Martin O'Malley, the Maryland Port Administration and Ports America Chesapeake today welcomed Germany-based Hapag-Lloyd, the fifth-largest container shipping company in the world to the Port of Baltimore. Hapag-Lloyd is beginning a direct, weekly container service from North Europe to the Port of Baltimore that could bring up to 30,000 containers annually through the Port. The new business could create nearly 600 new jobs in Maryland including 255 direct jobs at the Port of Baltimore.

"Just two years ago, we broke ground on the Port’s new 50-foot container berth to capture the new business from the Panama Canal expansion, and Maryland already is seeing the economic payoff,” said Governor O'Malley. “This new berth for the larger ships, great rail access and our partnership with Ports America are key reasons that Hapag-Lloyd chose to make the Port of Baltimore its first U.S. Port of Call for their new Gulf of Mexico Express service. Together, as partners, we will be creating jobs today and tomorrow for Maryland families as one of only two U.S. East Coast ports to have both a 50-foot channel and 50-foot berth.”

Baltimore, which is positioned within the third-largest U.S. consumer market, will be the first U.S. port of call for this service. More cargo is offloaded directly at first ports of call than at subsequent ports visited by a ship. The new service will be part of Hapag-Lloyd’s Gulf of Mexico Express. It will begin in Thamesport, England and will transit to Le Havre, France; Antwerp, Belgium; and Bremerhaven, Germany. It will then travel to the U.S. and stop in Baltimore, then travel to Veracruz, Mexico; Altamira, Mexico; Houston; New Orleans; and Charleston. With this new service, the Port of Baltimore will include three of the world’s top five container carriers in its portfolio.

“Hapag-Lloyd has a long and rich history of service from Europe to the Eastern seaboard of the United States stretching back to 1868,” said Hapag-Lloyd Senior Vice President Area Southeast Stuart Rattray. “This new call at the Port of Baltimore offers importers in Baltimore and the surrounding catchment area a direct call with a fast transit time of nine days from Germany. The service also provides direct links from the United Kingdom, France and Belgium. The Baltimore port call also allows rationalization with other services to maximize direct discharge with the associated savings and improved service levels to our customers. We are grateful to Ports America and the Maryland Port Administration as we have developed this new service offering.”

Christopher Lee, Managing Director of Highstar Capital, said: “I’m very proud of the fact that my firm was able to partner with the Maryland Port Administration and the State of Maryland, under the inspired leadership of Governor Martin O’Malley. Maryland is clearly a leader in Public-Private Partnerships and the Seagirt model is one that Governor O’Malley and I hope can be replicated all across the country. This was truly a case of the public and private sectors coming together in a real partnership to create new infrastructure, new jobs, and long-term investment opportunities for pension funds and other institutional investors.”

Port of Baltimore Welcomes World’s Fifth Largest Container Shipping Company

In November 2009, Governor O’Malley announced a 50-year agreement between the Maryland Port Administration and Ports America Chesapeake. Under the agreement, Ports America runs the daily operations at Seagirt Marine Terminal and is constructing a 50-foot berth and purchasing four super Post-Panamax cranes. With wharf construction completed, the berth is ahead of its original schedule and will be finished in August 2012, two years before the completion of Panama Canal expansion. At that point it is expected that a larger number of ships, including mega-sized vessels, will travel to East Coast ports that have the necessary channel and berth depth. This will allow shippers to reach their customers more quickly and less expensively than the current practice of going to West Coast ports and sending the cargo across the country on rail. At the completion of its 50-foot berth, Baltimore will be only the second U.S. East Coast port to have both a 50-foot channel and 50-foot berth.

The partnership between the MPA and Ports America is expected to produce 5,700 new jobs, while the total investment and revenue to the State of Maryland has the potential to reach up to $1.8 billion over the life of the agreement. It is also generating $15.7 million per year in new taxes for Maryland.

The Port of Baltimore ranks 11th nationally for the total dollar value of cargo and 13th for the amount of cargo tonnage handled out of 44 port districts in the U.S. Through the first 11 months of 2011, the Port of Baltimore ranked as the top port in the nation out of 360 U.S. ports for handling farm and construction machinery, autos, trucks, imported forest products, imported sugar and imported gypsum. Baltimore ranked second in the U.S. for exported coal, imported salt, imported aluminum, and imported iron ore.

Business at the Port of Baltimore generates about 14,630 direct jobs, while about 108,000 jobs in Maryland are linked to port activities. The Port is responsible for $3 billion in personal wages and salary and more than $300 million in state and local taxes.

Source: Maryland Department of Transportation
ACE Project Delivers Goods Movement Message to Capitol Hill

Dozens of people gathered on Capitol Hill for the San Gabriel Valley Transportation Reception, held March 6. Several Members of Congress and U.S. Department of Transportation officials were in attendance and offered remarks advocating the great strides being made in the San Gabriel Valley to reduce congestion and expedite the movement of goods through the area. Among those in attendance were Representatives Judy Chu (D-32/CA), Grace Napolitano (D-38/CA), Linda Sanchez (D-39/CA) and U.S. Department of Transportation Maritime Administrator David Matsuda.

The event was hosted by the Alameda Corridors East Construction Authority (ACE), Foothill Transit, Metro Gold Line Foothill Extensions Construction Authority, and San Gabriel Valley Economic Partnership.

ACE was awarded $37.6 million by the California Transportation Commission in late February. The money will be put toward the Baldwin Avenue grade separation project in El Monte, California, which has a total cost of $85.2 million. Currently, several Amtrak trains and about 15 freight trains use the grade crossing each day. The project will separate traffic through the construction of a four-lane road underpass and double-track railroad bridge.

Port of Los Angeles Receives Inaugural Climate Leadership Award from EPA

The Port of Los Angeles has been named a recipient of the U.S. Environmental Protection Agency’s (EPA) inaugural Climate Leadership Award, which recognizes businesses and organizations that have shown outstanding leadership in response to climate change. The award was given by the EPA in conjunction with the Association of Climate Change Officers, the Center for Climate and Energy Solutions and The Climate Registry.

“I commend The Port of Los Angeles on its exemplary leadership in cutting carbon pollution that harms our climate and threatens our health,” said Gina McCarthy, assistant administrator for EPA’s Office of Air and Radiation. "The Port of Los Angeles and all of our Climate Leadership Award winners demonstrate that organizations who are taking action to mitigate climate change are also operating more efficiently, more innovatively, and more competitively."

“We have worked closely with industry, regulatory agencies and ports worldwide to ensure that the shipping industry grows in an environmentally and economically sustainable manner,” said Los Angeles Mayor Antonio Villaraigosa. “This award is testament to the City of Los Angeles’ and the Port’s ongoing efforts to effectively balance economic growth and sustainable business practices.”

“The Port of Los Angeles has worked hard to establish itself as an international leader in port-related greenhouse gas emission reduction efforts,” said Port Executive Director Geraldine Katz, Ph.D. “We’re proud that many of our programs now serve as models for other ports around the world.”

The EPA recognized the Port in the category of Supply Chain Leadership, noting the Port’s greenhouse gas (GHG) reduction goals, its comprehensive tracking and GHG inventories, as well as its leadership and management of these emissions in the organizational value chain. The EPA also recognized companies including IBM, Ford Motor Company, Gap Inc. and others with Climate Leadership Awards.

Source: Port of Los Angeles
Federal News

U.S. Transportation Secretary LaHood Announces More Than $826 Million to Modernize and Repair the Nation’s Transit Buses and Facilities, Highlights President Obama’s Call for Greater Investment as Part of an America Built to Last

*Discretionary Funds Support State-of-Good-Repair, Sustainability Objectives for Transit*

On February 6 U.S. Transportation Secretary Ray LaHood announced the availability of $826.5 million in Fiscal Year 2012 discretionary funds to modernize and repair transit vehicles and facilities around the country and promote the widespread use of sustainable clean fuel. The funding commitment highlights President Obama’s call for investing in an America that’s built to last.

“An American economy that’s built to last must be built on a solid foundation, and when we have buses, transit facilities, and other equipment that’s in disrepair, we simply cannot afford to ignore them,” Secretary LaHood said. “The President knows that transportation projects like those we’ll fund from today’s announcement will help provide businesses and families with the safest, fastest, most efficient way to connect with opportunity.”

“Reliable and desirable transit systems enable hard-working American families to keep billions of dollars in their wallets rather than hand them over at the gas pump,” said Federal Transit Administrator Peter Rogoff. “These investments will ensure that transit remains a dependable option and advance President Obama’s goal for an America Built to Last.”

The notice of funding availability (NOFA) published in February 6’s Federal Register invites competitive proposals for three of the Federal Transit Administration’s (FTA) top policy priorities through the discretionary Bus and Bus Facilities and Clean Fuels grant programs, all subject to funding availability.

*Source: U.S. DOT*

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The President’s FY 2013 Budget request, released on February 13, proposes a total of $74 billion for the Department of Transportation, representing a 2 percent increase above the FY 2012 enacted level. “A strong American economy depends on the roadways, runways, and railways that move people and goods from coast to coast and around the globe,” said Ray LaHood, U.S. Transportation Secretary. “President Obama’s budget will enable us to build the American infrastructure we need for tomorrow while putting people back to work today.”

According to USDOT, the requested funds would focus on laying a new foundation for economic growth and competitiveness by investing in our national infrastructure network, building on recent safety achievements, and modernizing our transportation systems through research and innovation.

The FY2013 budget request includes a call for $50 billion in immediate investments, spread across various modes. Included in the $50 billion, $26 billion would fund critical highway and bridge improvements, $15 billion would be dedicated to transit systems and passenger rail, and $4 billion would fund the Transportation Infrastructure Grants and Financing program (which would be akin to the TIGER program, according to USDOT). A full breakdown of the budget request can be found in the chart below.

 Rolled into the President’s FY2013 budget request was a six-year, $476 billion surface transportation reauthorization proposal, naming investment in high speed rail as the plan’s “signature initiative”. The plan also proposes a 34 percent increase over the previous authorization’s level in funding for road and bridge improvements.

The reauthorization proposal would also establish a performance-based system, focused on safety and the state of good repair. Similar to the current proposals laid out by the Senate and the House of Representatives, the President’s plan would accelerate project delivery time through process streamlining and program consolidation.

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<td>$80</td>
<td>$94</td>
<td>$4</td>
</tr>
<tr>
<td>Surface Transportation Board</td>
<td>$29</td>
<td>$31</td>
<td>$2</td>
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<tr>
<td>Total DOT Budgetary Resources</td>
<td>$72,577</td>
<td>$74,488</td>
<td>$1,911</td>
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FY 2012 ENACTED | FY 2013 REQUEST | COMPARE
Federal News

Ports 101 Briefing:
U.S. Ports are Crucial to Prosperity, Safety

On February 29 Congressman Ted Poe (R-TX) and Congresswoman Janice Hahn (D-CA) hosted the inaugural event for the bipartisan Congressional Ports, Opportunity Renewal, Trade and Security (PORTS) Caucus. This event, which was sponsored by the American Association of Port Authorities (AAPA) and the Coalition for America’s Gateways and Trade Corridors, featured a “Ports 101” presentation made by AAPA President and CEO Kurt Nagle.

“Ports deserve a place in our national dialogue, and when I came to Congress last year they didn’t have one,” Rep. Hahn stated at the briefing. “The PORTS Caucus is here to educate Members of Congress on the importance of our ports to our economy and national security. Ports impact every Congressional District in the country, and it’s time that we give them the recognition they deserve.”

On March 20 Rep. Hahn introduced House Resolution 592, titled “Recognizing the importance of ports to the economy and national security of the United States.” The resolution highlights the importance of ports to goods movement and our national economy, citing that U.S. ports import and export $3.8 billion of goods each day.

“America’s ports are critical to our national security and economic security,” said Rep. Poe. “Every single home in America is impacted by goods that come through one of our nation’s ports. I look forward to working with Congresswoman Hahn and the rest of the caucus to raise awareness and educate other members about the major issues affecting ports in the United States.”

The caucus was formed in late 2011 by Representatives Poe and Hahn; it currently includes over 40 Members of Congress representing 19 states and 2 territories. Reps. Susan Davis (D-CA) and Grace Napolitano (D-CA) also offered remarks at the briefing.

Harris Poll Reveals Few Americans Favor Decrease in Transportation Spending

In a survey of American attitudes conducted during the last two weeks of February 2012, Harris Poll found that only a small minority of Americans want to see a reduction in Federal transportation spending. Just 25% would like to cut highway spending and 35% want to reduce federal aid for public transportation, while 23% and 22% would like to see spending increased on those programs respectively. The number of Americans wanting to cut highway spending is 34% lower than it was in 1980 -- despite the fact that Federal gas taxes were increased three times since that year, in 1982, 1990 and the last increase in 1993.
Research News

Exports in the Next Decade
The United States Conference of Mayors
February 2012

In the last decade US GDP grew from $11.2 trillion to $13.1 trillion in real, inflation-adjusted terms. Exports of US goods and services grew from $1.2 trillion to $1.7 trillion, directly accounting for 26.5% of that growth. Over the coming decade we project that exports will account for 39.7% of real US GDP growth to $16.8 trillion in 2020.

Metros dominate the US export market, accounting for 88% of merchandise value and housing all of the nation’s major ports. As the primary source of goods production and movement, metros are vital to the health of the overall US trade industry. Growth in the US export industry starts from the bottom up, ensuring that metro area ports are able to handle the growing trade volume, transportation lines are efficient, and the metro manufacturing facilities and labor are competitive with foreign firms. The US export industry would be devastated without continued development of the nation’s metro areas. In an increasingly globalized economy it is vital that the US is able to take advantage of the economic opportunities opening up around the world.


Supply Chain Security: Container Security Programs Have Matured, but Uncertainty Persists over the Future of 100 Percent Scanning
Government Accountability Office
February 2012

Cargo containers that are part of the global supply chain—the flow of goods from manufacturers to retailers—are vulnerable to threats from terrorists. The Maritime Transportation Security Act (MTSA) of 2002 and the Security and Accountability For Every (SAFE) Port Act of 2006 required the Department of Homeland Security (DHS) to take actions to improve maritime transportation security. Also, the Implementing Recommendations of the 9/11 Commission Act of 2007 (9/11 Act) required, among other things, that by July 2012, 100 percent of all U.S.-bound cargo containers be scanned.

Within DHS, U.S. Customs and Border Protection (CBP) is responsible for container security programs to address these requirements. This testimony addresses, among other things, (1) efforts to gather advance information about container shipments to assess risks, (2) technologies used to protect the integrity of containers and scan them, and (3) the status of efforts to scan 100 percent of U.S.-bound containers. GAO’s statement is based on products issued from April 2005 through July 2011, along with selected updates conducted from January to February 2012. Updates involved collecting information from CBP on the status of efforts to address GAO’s prior recommendations on these issues and its plans to implement 100 percent scanning. (3) the status of efforts to scan 100 percent of U.S.-bound containers. GAO’s statement is based on products issued from April 2005 through July 2011, along with selected updates conducted from January to February 2012. Updates involved collecting information from CBP on the status of efforts to address GAO’s prior recommendations on these issues and its plans to implement 100 percent scanning.

Investing in infrastructure goes beyond mere improvements to the quality of roads, highways, sewers, and power plants. These investments also generate significant economic returns for other portions of the U.S. economy and substantially increase ultimate tax revenue for the government. In order to adequately fund public infrastructure, the U.S. must seek innovative new funding mechanisms that do not burden rising deficits, and likely must stimulate the private sector. Programs like public-private partnerships, individual and corporate contributions to road financing and user fee lanes are potential mechanisms through which public spending on infrastructure can be supplemented beyond the gas tax.

**Estimated Short-Run Effects**

- In the short-run, a dollar spent on infrastructure construction produces roughly double the initial spending in ultimate economic output.
- The biggest effects of infrastructure spending occur in the manufacturing and business services sectors.
- In better economic times, spending on infrastructure construction generates a larger return. Yet even in a recession, the overall effects of initial spending still double output as they ripple through the economy.

**Estimated Long-Run Effects**

- Over a twenty-year period, generalized ‘public investment’ generates an accumulated $3.21 of economic activity per $1.00 spent.
- Over twenty years, investing $1.00 in highways and streets returns approximately $0.35 in tax revenue to federal and state/local governments, of which $0.23 specifically accrues at the federal level.
- Over twenty years, investing $1.00 in sewer systems and water infrastructure returns a full $2.03 in tax revenue to federal and state/local governments, of which $1.35 specifically accrues at the federal level.


**2010 Status of the Nation’s Highways, Bridges, and Transit: Conditions & Performance**

Federal Highway Administration
March 2012

*The Department of Transportation’s Conditions and Performance* is a biennial report to Congress that provides information on the physical and operating characteristics of the highway, bridge and transit components of the nation’s surface transportation system. The 2010 report projects that $101 billion, plus increases for inflation, would be needed annually over the next 20 years from all levels of government - local, state and federal - to keep the highway system in its current state. It also identifies significant opportunities for investments to improve the current state of highways and bridges that could total up to $170 billion a year. The report shows that in 2008, all levels of government spent a combined total of $91.1 billion on highway capital improvements, a 48.4 percent increase over 2000.

The *Conditions and Performance* report projects that between $20.8 billion and $24.5 billion will be needed annually over the next 20 years to attain a state of good repair for the nation’s transit systems and to accommodate expected transit ridership growth. In contrast, all levels of government combined spent only $16.1 billion on transit capital improvements in 2008. The Obama Administration budget request includes $108 billion over the six years for transit options, a 105 percent increase over the previous authorization levels.

Florida East Coast receives high mark for automotive service
*Progressive Railroading*
February 1, 2012

Transportation bills and national freight policy
*Cargo Business Newswire*
February 2, 2012

Agency names final eight railroad crossing projects for Valley
*San Gabriel Valley Tribune*
February 11, 2012

Miami International Airport, PortMiami see growth in travel, cargo
*Miami Herald*
February 15, 2012

Nation’s transportation infrastructure needs to keep pace with growing exports
*Progressive Railroading*
March 7, 2012
Upcoming Events

April 17-18, 2012: The Heartland Shippers Conference, Embassy Suites, Des Moines, IA

April 18-20, 2012: Mid-America Freight Coalition Annual Meeting, Minneapolis, Minnesota, Hilton Minneapolis Hotel

April 10-12, 2012: Critical Commodities Conference, Hilton Riverside, New Orleans


May 21-25, 2012: Maritime Week America’s, Hotel Riu Plaza Panama, Panama Canal

June 4-6, 2012: Transportation Logistics for the Oil & Gas Industry Summit, Houston, TX

CAGTC is getting social!

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

“Like” us to join our Facebook page

&

Follow us on Twitter: http://twitter.com/CAGTC

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.

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Email: enessle@blakey-agnew.com

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.