



# The Trade Corridor Bulletin

*Improving America's Intermodal Freight and Goods Movement*

[www.tradecorridors.org](http://www.tradecorridors.org)

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**CAGTC**

Coalition for America's  
Gateways & Trade Corridors

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## **Coalition Highlight**

### **NAFTANEXT: Energizing Sustainable Trade Corridors Across North America**

*April 22-25, 2014 | Palmer House | Chicago, Illinois*

On February 19, leaders from the United States, Mexico and Canada gathered in Toluca, Mexico to mark the 20th anniversary of the North American Free Trade Agreement (NAFTA) and discuss the future of North American commerce and cooperation. President Obama, President Peña Nieto and Prime Minister Harper shared their vision for a prosperous and secure future for the citizens of all three countries and their commitment to enhance North American competitiveness in the global economy. Coming on the heels of this landmark meeting, the NAFTANEXT Summit at the Palmer House Hilton in Chicago this April 22-25 will complement the North American Leaders Summit by providing a private industry-led forum for considering a North American goods movement initiative and how future trade agreements, such as TPP, can add to the progress made in the tri-lateral discussions.

At the North American Leaders Summit, a focused list of "key deliverables" designed to build on the successes of the NAFTA agreement was developed. Among these commitments was a pledge to create a "North American Transportation Plan, starting with freight planning." The NAFTANEXT summit will inform the NAFTA transportation planning process while highlighting the need for infrastructure investment from the perspective of industry stakeholders. These discussions will seek to build consensus on how best to further integrate the NAFTA economies and facilitate the efficient movement of goods throughout the continent. Leading off in these conversations will be Honorary Summit Chairman Rodney Slater, former U.S. Secretary of Transportation and steward of the U.S. Department of Transportation during the early implementation of NAFTA.

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The exploration of North America's vast energy reserves has spurred a resurgence in energy development throughout the continent. NAFTA NEXT will discuss the effect of this energy revolution on the NAFTA supply chains and the need to examine our related transportation systems and reaffirm commitments to the promotion of sustainable practices. Achieving greater fuel efficiency, while meeting the demands of commerce, has long been a goal for transport services providers. But the new energy landscape is having other effects: The increased availability of low-cost source chemicals, massive by-products of the refining process, is offering incentive for manufacturers to shorten their supply chains, which will place new demands on the need for rail and trucking to move more products domestically and on our ports for shipping exports abroad. Representatives from industry and the three NAFTA governments will share their experience and strategies in adapting to these changing realities.

NAFTA NEXT will build on the successes of NAFTA to craft a vision for trade and competitiveness in the 21<sup>st</sup> century. Ideas taken from the summit will drive industry and policy leaders to collaborate on the modernization of trade to meet the evolving demands of commerce, energy and freight mobility.

## CONFIRMED SUMMIT SPEAKERS

**HON. RODNEY SLATER, FORMER U.S. SECRETARY OF TRANSPORTATION** DR. JOSÉ ZOZAYA, KCS DE MEXICO

JOSEPH PARILLA, THE BROOKINGS INSTITUTE HASAN IKHRATA, SCAG DR. IRASEMA CORONADO, COMMISSION FOR ENVIRONMENTAL COOPERATION JAMES KVEDARAS, CN MATT ROSE, BNSF ELLIOT SWISS, GM

**HON. GARY DOER, CANADIAN AMBASSADOR TO THE U.S.** BILL JOHNSON, PORTMIAMI RANDY BLANKENHORN, CMAP DONALD JAMES, VULCAN MATERIALS

GENE SEROKA, APL AMERICAS AL ZAPANTA, U.S. - MEXICO CHAMBER OF COMMERCE JUAN CARLOS VILLA, TEXAS A&M TRANSPORTATION INSTITUTE

DR. STEPHEN BLANK, NORTH AMERICAN COMPETITIVENESS RESEARCH COUNCIL PAUL FISHER, CENTERPOINT PROPERTIES GARY GALLEGOS, SANDAG FEDERICO DOMINGUEZ, MEXICAN SECRETARIAT OF COMMUNICATIONS AND TRANSPORT

ALLEN SCHAEFFER, DIESEL TECHNOLOGY FORUM HON. TOM DAVIS, FORMER CONGRESSMAN, DELOITTE

**HON. STÉPHANE DION, MEMBER OF CANADIAN HOUSE OF COMMONS, FORMER CANADIAN MINISTER OF THE ENVIRONMENT**

As the convening organization for the NAFTA NEXT Summit, **CAGTC members are eligible to register at a reduced rate of \$375**. To access this discount of \$250 off the general admission price of \$625, visit the registration page and apply the code "**CAGTC**" at checkout. All registered attendees also receive the special room rate of \$171/ night **IF YOU REGISTER BEFORE FRIDAY, APRIL 4**. Please note the CAGTC members-only meeting takes place April 22 and is free of charge.

**Register Now** [http://208.84.117.245/mm5/merchant.mvc?Screen=CTGY&Store\\_Code=NPCS&Category\\_Code=7000NAFTANEXT](http://208.84.117.245/mm5/merchant.mvc?Screen=CTGY&Store_Code=NPCS&Category_Code=7000NAFTANEXT)

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**Exhibit Now** <http://www.naftanext.com/exhibit/>



## CAGTC Perspective

# Yes We Can... Fund Multimodal Freight

### President Obama Releases a Four-Year Surface Transportation Budget

The White House has heard the CAGTC drumbeat. On January 28<sup>th</sup>, President Obama proclaimed during the State of the Union “first-class jobs gravitate to first-class infrastructure.” On February 19<sup>th</sup>, at the North American Leaders’ Summit, he met with Canadian Prime Minister Harper and Mexican President Nieto and the three agreed to create a North American Transportation Plan, beginning with freight planning. On February 26<sup>th</sup> he traveled to St. Paul, Minnesota, where he announced his “Vision for 21<sup>st</sup> Century Transportation Infrastructure.” This precursor to the annual budget increased funding levels for the 6<sup>th</sup> round of TIGER competitive grants and, for the first time, included a new \$10 billion multimodal freight grant program. Then, on March 5<sup>th</sup>, the President unveiled his FY 2015 Budget Request, which outlined a surface transportation authorization proposal with a detailed set of ideas on how to pay for his wish list — in it, freight was on center-stage.



*Leslie Blakey*

President Obama’s four-year, \$302 billion dollar FY 2015 surface transportation budget proposes a series of programs designed to modernize our nation’s surface transportation infrastructure. It calls for a \$63 billion cash infusion into the Highway Trust Fund, paid for by corporate tax reform. Additionally, it offers \$600 million in funding for the 6<sup>th</sup> round of TIGER competitive grants, an increase of \$100 million over last year, codifying the TIGER program.

Further, the President’s Budget includes a first-time multimodal freight grant program, aimed at “address[ing] the greatest needs for the efficient movement of goods across the country and abroad.” Eligible applicants include rail, highway, and port projects. The President’s budget incentivizes regional planning, provides funding for multi-modal, multi-jurisdictional and corridor-based projects, and supports the development of statewide freight plans with regional planning participation. CAGTC has long advocated for a freight-specific grant program that awards funding through the use of merit-based criteria. The President’s inclusion of this in his budget is an exciting development for projects that traditionally have difficulty finding funding through traditional distribution methods.

The chorus of calls to fund freight is now coming from all directions. In Congress, both the House and the Senate have indicated their support for megaproject funding. Despite lacking the necessary funds in 2012, the Senate Environment & Public Works Committee insisted the Projects of National and Regional Significance program remain in MAP-21, perhaps indicating their future intent to utilize the program to fund freight projects. Meanwhile, across the Hill, the Transportation and Infrastructure Committee’s Special Panel on 21<sup>st</sup> Century Freight Transportation has recommended that MAP-21 reauthorization provide funding for the sustained continuation of a freight-focused PNRS competitive grant program.

Since all branches of government are in agreement on the necessity of funding a multimodal freight program, you’d think the next step would be obvious: legislate it. But the ever-present dialogue void in Washington ensures nothing’s that easy. Over the next few months, CAGTC will be ferrying the message throughout the halls of Congress and down the well-worn path to the White House. The agreement among the branches has validated our message. Now it’s our job to bring the consensus across the finish line.

Leslie Blakey, Executive Director



## New Member Spotlight



METROPOLITAN  
TRANSPORTATION  
COMMISSION

# Metropolitan Transportation Commission

## *Planning, Financing and Coordinating Transportation for the nine-county San Francisco Bay Area*

San Francisco Bay Area seaports and airports are major international trade gateways for California and the United States. As the Bay Area's designated metropolitan planning organization, MTC oversees the region's long-range transportation plan—a blueprint for the development and upkeep of the region's ground transportation system.

MTC partners at the local, regional, state, and federal levels on work that ranges from planning, to financing, to studying goods movement, and advocating for policy improvements.

Here are the highlights of what's happening at MTC:

### **National Freight Program Advocacy Principles**

Roadways, railways, waterways, inland ports, sea ports, and airports are equally critical components of an integrated freight network. MTC is partnering with MPOs nationwide to ensure that the country's next surface transportation act includes a strong national freight program—one that defines our primary freight networks as truly multimodal systems.

In January 2014, MTC adopted its National Freight Program Advocacy Principles, outlining its vision for a National Freight Trust Fund backed by new, dedicated revenue streams. This program would support projects that enhance terminal access, expand the capacity of existing networks, upgrade equipment to reduce pollution, and mitigate negative impacts on surrounding communities.

MTC advocates distributing the cost of these improvements across all freight modes by integrating a range of revenue options. Specific options that MTC recommends for consideration include a freight waybill tax, an increase in existing user fees in response to inflation and a mileage-based user fee, among others.

### **Regional Goods Movement Study**

Goods movement businesses create over 10 percent of jobs in the Bay Area, which is home to America's fifth-busiest maritime port, the Port of Oakland. MTC's Regional Goods Movement Study explores how transportation policies impact this important economic sector. These studies support MTC's policy goals of identifying surface transportation improvements to support the freight industry, and addressing capacity issues. Currently, MTC is working on the third iteration of its Regional Goods Movement Study, last updated in 2009. The new report, created in partnership with Caltrans and county agencies, will inform development of the California Freight Mobility Plan and implementation of MAP-21.



*Cargo Ships Enter the San Francisco Bay*

*(Continued on Page 5)*

*(Continued from Page 4)*

To compliment this work, MTC also produced the Goods Movement/Land Use Study in 2008, and plans to conduct additional studies of specific freight network components, including I-80, I-580 and I-880 corridors, and freight rail lines.

### **Oakland Truckers 511**

MTC's award-winning 511 is known for providing Bay Area drivers with mobile access to live traffic information. Now, MTC has created a free OT-511 service just truckers, who receive alerts on regional freeway conditions, along with real-time updates on Port of Oakland terminal openings and delays, via standard cellphone text. OT-511 saves time, reduces idling emissions, and keeps trade flowing smoothly by enabling truckers to avoid traffic and delays

### **Regional Airport Planning Process**

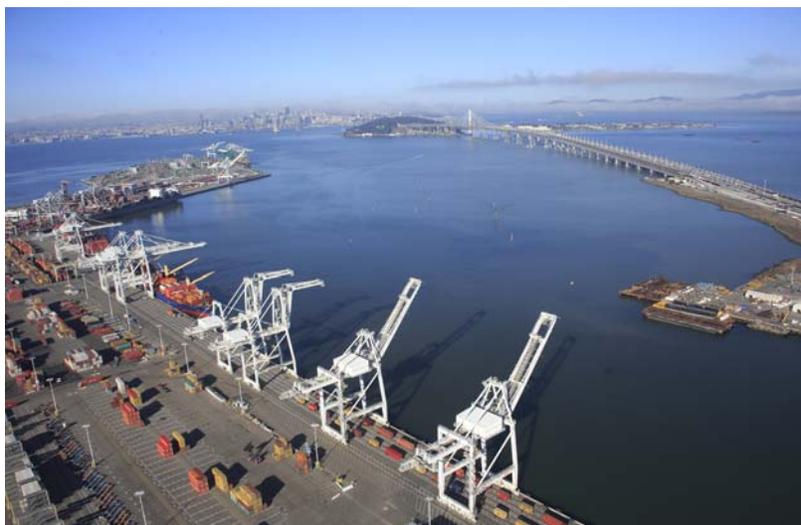
MTC's most recent forecasts indicate that Bay Area airports will see a 92% increase in air cargo from 2007 and 2035. To assess the best approaches for accommodating this growth, MTC works with partner agencies, the FAA, and the Bay Area's three international airports (OAK, SFO, SJC) to prepare the Regional Airport Study. MTC then uses this plan guides decisions about surface transportation investments, with an eye towards enhancing intermodal connectivity around airports.

### **BATA**

MTC not only serves as the Bay Area's MPO, but also performs the functions of the state-mandated Bay Area Toll Authority (BATA), which is responsible for administering toll revenues from the Bay Area's seven state-owned toll bridges. Functioning as BATA, MTC also oversaw the recently-completed toll bridge seismic retrofit program together with Caltrans and the California Transportation Commission.

### **SAFE**

MTC also acts as the regional Service Authority for Freeways and Expressways (SAFE), which enhances the reliability of Bay Area freeways by rapidly addressing issues of congestion and public safety. In conjunction with the State Department of Transportation (Caltrans) and the California Highway Patrol, MTC SAFE implements motorist aid programs that include free roadside assistance, a network of freeway surveillance cameras, and corridor studies examining how freeway performance can be improved by addressing freight issues, closing gaps in key infrastructure, and developing express lane networks.



*The Port of San Francisco*

Source: Metropolitan Transportation Commission

# Stakeholder Consensus: Improvements to the Primary Freight Network Necessary

*CAGTC Fact Sheet Shows Broad Agreement on Need to Include Intermodal Connectors & Eliminate Congressionally-Mandated Mileage Cap*

This month the Coalition for America's Gateways and Trade Corridors (CAGTC) released a fact sheet summarizing public comments on the Federal Highway Administration's (FHWA) draft designation of the Primary Freight Network (PFN). Of the 300 original comments submitted to the FHWA, 132 requested route modifications and 168 made policy requests.

The PFN was called for in Moving Ahead for Progress in the 21<sup>st</sup> Century (MAP-21) and a draft map was published on November 19, 2013 by the FHWA. The FHWA solicited comments from stakeholders on 1) specific route modifications; 2) the methodology for a 27,000 centerline mile designation; 3) how the National Freight Network (NFN) relates to a multimodal national freight system; 4) how the national freight network and components could be used in the future; and 5) suggestions for an urban-area route designation. Comments were due February 15, 2014.

Comments represented opinions from a wide swath of geographically and organizationally diverse stakeholders. Of the policy request comments, 137 included requests that freight intermodal connectors be included on the PFN and 108 stated in certain terms that a 27,000-mile cap was too low to reflect a true network. 92 comments suggested that the PFN be overlaid with rail lines, ports, navigable waters, land gateways, and airports to reflect the multimodal nature of freight movement.

View the CAGTC fact sheet here: [http://tradecorridors.org/images/CoalitionMaterials/CAGTC\\_PFN\\_FactSheet.pdf](http://tradecorridors.org/images/CoalitionMaterials/CAGTC_PFN_FactSheet.pdf)

## IMPROVING THE PRIMARY FREIGHT NETWORK

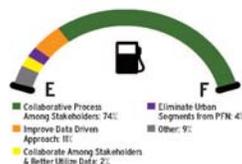
Of the **300** original comments\* on the Primary Freight Network:  
**132** Requested Route Modifications / **168** Made Policy Requests



### Methodology For Achieving a 27,000-Mile Final Designation



### Suggestions for an Urban-Area Route Designation Process



This analysis, conducted by the Coalition for America's Gateways and Trade Corridors, is based on a qualitative and quantitative review of all PFN comments. The table reflect comments uploaded to the electronic docket as of March 15, 2014.  
 \*13 comments were duplicates, blank comments or comments requesting process changes.

## How the NFN and Its Components Could Be Used By Freight Stakeholders



## About the Primary Freight Network

Moving Ahead for Progress in the 21<sup>st</sup> Century (MAP-21) Act called for the establishment of a highway-only Primary Freight Network (PFN).

The Federal Highway Administration (FHWA) published a draft map of the PFN on November 19, 2013, and solicited comments on:  
 1) specific route modifications;  
 2) the methodology for a 27,000 centerline mile designation;  
 3) how the National Freight Network (NFN) relates to a multimodal national freight system;  
 4) how the national freight network and components could be used in the future; and,  
 5) suggestions for an urban-area route designation. Comments were due February 15, 2014.

CAGTC comments are summarized below and are available at [www.tradecorridors.org](http://www.tradecorridors.org).

- Include Intermodal Connectors:** Intermodal Connectors ensure freight routes on and off the PFN and they ensure the "rightest and best" use of other modes.
- Adopt a Corridor Approach and Remove the 27,000-mile cap:** Review the methodology for PFN designation by removing mileage cap and assigning higher priority to trade gateways, corridors, multimodal hubs, and intermodal connectors.
- Make the PFN a Multimodal Network:** Overlay the PFN and NFN with nationally significant roadways, freight rail lines and facilities, ports, navigable waterways, land gateways, freight intermodal connectors, and airports.

- Designate Funding to Support Critical Improvements to the PFN and NFN:** An effective PFN requires dedicated funding at both the planning level and for incorporating project implementation. Once the NFN and PFN have been identified such that they are widely accepted by stakeholders and other intended audiences, the NFN and PFN could potentially be tied to a funding distribution mechanism, such as a competitive grant program like the Projects of National and Regional Significance Program or one that is freight-specific.
- Establish an Urban Area Route Designation Process that Includes Local Stakeholders:** Parallel to the critical rural freight designation process, State DOTs should work with MPOs and their local stakeholders to designate critical urban freight routes. Regional and local stakeholders are best positioned to identify and prioritize these routes.



The Coalition for America's Gateways and Trade Corridors (CAGTC) is a diverse coalition of more than 80 public and private organizations dedicated to increasing federal investment in America's intermodal freight infrastructure. Its focus is on single mode intermodal freight infrastructure to provide a seamless goods movement transportation system across all modes to enhance capacity and economic growth. For more information on the Coalition for America's Gateways and Trade Corridors, please visit [www.tradecorridors.org](http://www.tradecorridors.org).

# DOT Develops New Highway Trust Fund Estimator

Speaking at the Transportation Research Board's Annual Meeting in January, Transportation Secretary Anthony Foxx announced a new tool designed to track exactly how much money remains in the Highway Trust Fund (HTF). The tool, called the Trust Fund Ticker, is a monthly update on the Department's website calculating exactly how much money the HTF has left. The dollar amounts will be updated until either the fund can sustain itself or runs out.

March's ticker post estimated that the Highway Account of the HTF will encounter a shortfall as soon as late July. Earlier estimates placed the date of the shortfall around the second or third week of August. While this information has always been made available to Congress, the creation of the Trust Fund Ticker marks the first time that this information is available to the public, emphasizing the Department's commitment to transparency and its attempts to sustain the fund.

The Highway Account began FY14 with approximately \$1.6 billion in cash. It received an additional infusion of \$9.7 billion from the General Fund shortly after the start of the fiscal year. Because incoming receipts continue to come in at a slower pace than the surface transportation program outlays, the cash balance in the account has dropped nearly \$3.3 billion since the General Fund transfer. The Highway Account's cash balance was \$8.6 billion as of the last week of February.

View the ticker at <http://www.dot.gov/highway-trust-fund-ticker> .



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## Member News



# Secretary Foxx Visits ACE Nogales Street Grade Separation Project in City of Industry, CA

On March 21, members of the Alameda Corridor-East (ACE) Construction Authority Board of Directors, alongside Rep. Grace F. Napolitano (CA-32) and Rep. Ed Royce (CA-32) welcomed U.S. Transportation Secretary Anthony Foxx to the City of Industry to survey the Nogales Street highway-rail grade separation project under construction north of State Route 60.

With more than 45,000 vehicles interrupted by nearly 50 trains per day, the Nogales Street crossing is among the most hazardous in California and in the nation. The Alameda Corridor-East Construction Authority will close this crossing for 24 months to construct a project separating the road from the railroad. When complete, the project will eliminate crossing collisions, traffic congestion, train horn noise and emissions from idling vehicles.

“This project could not have been built without \$30.8 million in Federal funds previously allocated. Funding in previous Federal transportation bills was critical to the ACE grade separation projects,” said ACE Board Chairwoman Norma Micias. “Funding important freight projects like this is very challenging, and the ACE Construction Authority is highly encouraged by President Obama’s proposed four-year, \$10 billion Multimodal Freight Investment Program. We urge Congress to fully consider this proposed program when legislation is released next month.”

“Secretary Foxx understands that 45 percent of our nation’s goods travel through Southern California,” Representative Napolitano said. “We thank him for coming to see the progress of these critical transportation projects and look forward to working with him to ensure the safe travel of goods and people in our region.”



*Sec. Foxx and the ACE Team*

Source: Office of Rep. Grace F. Napolitano / Alameda Corridor-East Construction Authority



# Florida East Coast Railway Enhances Port Connectivity

Florida East Coast Railway, operator of the 351-mile freight rail system running along Florida's Atlantic Coast between Jacksonville and South Florida, is poised to efficiently handle increased volumes as Panama Canal expansion moves toward completion. In an exclusive interview with the American Journal of Transportation, James R. Hertwig, president and chief executive officer of Jacksonville-based FEC, said the Class II railway looks to capitalize upon such developments as the recent restoration of on-dock rail at PortMiami, a soon-to-open intermodal container transfer facility at Port Everglades and an expanding South Florida Logistics Center.

"As far as a railroad, we're, I think, positioned extremely well in South Florida as these ports expand," Hertwig said. "If you think about it, historically, these ports have really been heavy in the Latin American trade, which is balanced somewhat. But, in the future, I think these ports will be winning the Asia cargo."

Hertwig said that, with the opening of the expanded Panama Canal, he anticipates a shift of cargo to South Florida ports from Savannah and Charleston. "With our rail service, we can service Charlotte in two days, Atlanta in two days, so, in essence, we can have the cargo at destination by the time the ships arrive at Savannah or Charleston," he said, noting that this is accomplished via interchange with CSX or Norfolk Southern railways at Jacksonville. "We've done some test moves with retailers, and we've actually demonstrated that the cargo has been at destination by the time the ships arrived in Savannah or Charleston," Hertwig continued.

"The good news," he said, "is that I think what you'll see is the South Florida ports capturing not only all the Florida traffic – it makes all the sense in the world to put it in there – but I think you'll see them capture the Southeast traffic."

At PortMiami, FEC has restored on-dock rail, having begun pulling trains off the port in mid-October. In March, FEC is slated to complete expansion of loading track to double present capability, and, by yearend, three loading tracks, each 3,000 feet long, are to be fully operational.

At Broward County's Port Everglades, a July 14 grand opening is planned for a 43-acre ICTF being developed on port property under a public-private partnership. The \$73 million project is being funded via an \$18 million state grant, with a \$20 million contribution from Broward County in the form of land, and FEC footing \$35 million – of which \$30 million is by way of a low-interest state infrastructure bank loan.

The Andrews Avenue facility, with a pair of 1,250-foot working tracks, presents challenges in building trains as long as 9,000 feet long, often meaning that roadway traffic is blocked on State Road 84. With the ICTF, trains will be built directly at the port, which, combined with a separate highway overpass project, will alleviate roadway blockage concerns.

*Source: Florida East Coast Railway (AJOT Original Article by Paul Scott Abbott)*



# Mayor Emanuel Calls for Cracking Down on Unsafe Transportation of Hazardous Materials

*Highlights Five Common-Sense Measures to Reduce the Risk of Rail Accidents and Calls for a National Hazardous Materials Freight Fee*

Mayor Rahm Emanuel today spoke at the winter meeting of the United States Conference of Mayors (USCM) where he called for improved oversight of companies transporting hazardous materials and crude oil by rail through America's cities. Railways are used to transport these dangerous substances right through the heart of American cities and Mayor Emanuel called on other mayors to target this emerging threat with federal partners to reduce the risk of accidents while protecting residents and property. Revenue from the fee would be dedicated to improving America's aging rail infrastructure.

"Freight train accidents across the United States should be more than a wake-up call," said Mayor Emanuel. "Railroads are the backbone of our country, providing an economic lifeline to Chicago and communities across the nation. These incidents must move us to take action so we can strengthen safety standards and employ new technology to prevent future harm."

Mayor Emanuel highlighted five common-sense measures that would make communities safer by reducing the risk of the next catastrophe.

- Call on the federal government to impose a hazardous materials freight fee on companies who extract crude oil and the industrial consumers of it. This effort will make transportation safer and comply with regulations. The fees will be an account to support rebuilding of America's aging rail infrastructure to keep our communities safe.
- Support the Department of Transportation in the building of safer cars.
- Build safer railroads using better technology, which could serve as a life-saving backstop when human error occurs. This should be deployed around the nation, especially on tracks where hazardous material is hauled.
- Mandate those who transport hazardous materials on railways to carry the necessary insurance to compensate for the loss of life and property after an accident.
- Better understand what railways are transporting and the risks they pose.

Rail infrastructure improvements are essential to avoid the risk of transporting hazardous materials. The Department of Transportation is currently considering new rules to improve construction standards to make safer railcars. While no single rule or regulation can eliminate rail accidents, these common-sense steps will reduce the possible danger. Building a 21st century infrastructure, using 21st century technology will create jobs and boost economic opportunity while protecting communities.

"As mayors, there is no greater responsibility than ensuring the safety of our residents, especially our children and I encourage everyone to share other ideas to protect our quality of life," said Mayor Emanuel.

*Source: City of Chicago*

## Member News



# Steven J. Vaughn joins HELP Inc. as National Director of Field Operations

HELP Inc., the not-for-profit public/private partnership that provides PrePass® and other truck safety services throughout North America, recently appointed Steven J. Vaughn as national director of field operations.

Within this newly created position, Vaughn will oversee HELP's liaison to federal and state agencies and assist the organization's leadership in establishing and implementing policies related to truck safety and infrastructure issues. He will also be responsible for managing HELP field personnel and staffing the Safety Committee and Freight Corridor Task Force.

"Steve's extensive experience in commercial vehicle safety, knowledge of technology and understanding of the challenges state agencies face make him an extremely valuable addition to our staff," said Karen Rasmussen, president and CEO of HELP.



*Steven Vaughn*

Vaughn has nearly 29 years of experience in law enforcement, serving in the ranks of officer through chief in the California Highway Patrol.

*Source: Help Inc*

## Industry News



# AASHTO Announces New Information Tool Designed to Educate about Trust Fund Crisis

The American Association of State Highway and Transportation Officials this week unveiled a new informational tool designed to educate the public and elected officials about the potential impact of an insolvent Highway Trust Fund.

The "Nation at a Crossroads" is a web-based infographic, mobile app and printed brochure that provides a national perspective on surface transportation investments. It also provides state-level information to help tell the story of how federal funding affects transportation investment priorities.

"Surface transportation is a national issue, but it also is a very local issue that affects Americans on a personal level," said Bud Wright, AASHTO executive director. "This information tool describes the national implications of not supporting the Highway Trust Fund, as well as how transportation will be impacted on a state and local level."

The web-based version of the infographic is available at <http://invest.transportation.org>, and the mobile app version for both iOS and Android is available for download at <http://invest.transportation.org/app>.

*Source: aashtojournal.org*

## Research News

### ***The Future of Transportation Infrastructure Investments Determining Best Practices for States' Funding and Financing Mechanisms***

*The Thomas Jefferson Program in Public Policy*

February 10, 2014

A healthy transportation infrastructure provides significant benefits and spillover effects to public safety as well as economic growth and productivity, including prices. The vast majority of voters recognize that transportation infrastructure is very important. Unfortunately, the quality of U.S. roadway infrastructure has decreased drastically in recent years, falling from #5 in 2002 to #24 in 2011 in worldwide rankings for infrastructure quality. This infrastructure deterioration reflects the inadequacy of transportation funding investments. Although federal transportation funding, particularly the Highway Trust Fund, has increased since the 1950s, its real value has declined significantly in recent years. Federal funds account for a significant portion of transportation investment, with states responsible for almost half of transportation infrastructure revenues. In an era of tight federal budgets and growing debt, states will likely have to shoulder more of the burden. Therefore, states should implement innovative, sustainable, and flexible funding and financing mechanisms to facilitate transportation infrastructure investment.

[http://www.aednet.org/am/newsletter/2014/PDFs/WMReport\\_Web.pdf](http://www.aednet.org/am/newsletter/2014/PDFs/WMReport_Web.pdf)

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### ***The Federal Excise Tax on Motor Fuels and the Highway Trust Fund: Current Law and Legislative History***

*Congressional Research Service*

February 6, 2014

A major policy debate surrounding the motor fuels excise tax relates to the ability of the HTF to be self sustaining. Approximately 90% of HTF receipts are composed of annual tax collections on gasoline and diesel fuels. Since 2008, obligations from the HTF have exceeded receipts and over \$53 billion have been transferred from the Treasury's general fund to temporarily address these projected shortfalls. Tax collections have declined over time largely because of inflation's effect on the value of the tax rates, and reductions in vehicle miles traveled, among other factors. Future declines in tax collections are projected largely due to scheduled increases in corporate average fuel economy (CAFE) standards.

In the 113th Congress, some Members have called for increasing the motor fuels excise tax rate to help finance the HTF. For example, the Update, Promote, and Develop America's Transportation Essentials Act of 2013 (H.R. 3636) would phase-in an increase in the tax rates on gasoline and diesel to 33.3 and 39.3 cents per gallon, respectively, by 2016 and would index further tax rate increases to any increases in inflation in years 2016 to 2024. Others have proposed more fundamental reductions in the federal government's role in highway financing by reducing federal motor fuels excise tax rates and devolving most federal highway programs and activities to the states (e.g., H.R. 1065, H.R. 3486, S. 1702).

This report provides an overview of current law and a recent legislative history of federal motor fuels excise tax rates (with an emphasis on gasoline and diesel fuel for highway use) and the HTF. State motor fuels tax rates are mentioned in brief. The report ends with a discussion of legislation in the 113th Congress that would modify the federal motor fuels excise tax. Issues related to HTF spending programs and infrastructure financing, more broadly, are beyond the scope of this report, but references to relevant CRS reports are provided.

<http://op.bna.com/dt.nsf/r?Open=emcy-9g7rqp>

## **Transportation Research Board Special Report 312: Transportation Investments in Response to Economic Downturns**

*Transportation Research Board  
January 2014*

TRB Special Report 312: Investments in Response to Economic Downturns provides guidance for federal and state officials on the best ways to use stimulus funds for transportation in the future and methods for evaluating such investments. The report examines lessons learned and impacts from the states' management of the transportation component of the American Recovery and Reinvestment Act of 2009, which provided \$48.1 billion for U.S. Department of Transportation programs.

[http://www.nap.edu/catalog.php?record\\_id=18628](http://www.nap.edu/catalog.php?record_id=18628)

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## **2013 Status of the Nation's Highways, Bridges and Transit: Conditions & Performance**

*U.S. Department of Transportation Federal Highway Administration  
January 31, 2014*

In a recent report called 2013 Status of the Nation's Highways, Bridges and Transit: Conditions and Performance, the Department of Transportation once again called for more investment in order to maintain and improve the nation's highway and transit systems. This report echoes the call for an increased focus on infrastructure maintenance and development that both Secretary Foxx and President Obama have called for in recent months. While the Recovery Act of 2009 increased infrastructure investment to unprecedented levels, contributing to the improvement of the quality of highways, roads, and transit systems, the DOT's recent report highlights that much more remains to be done.

The Conditions and Performance report estimates that federal, state, and local governments would need to spend between \$123.7 billion and \$145.9 billion yearly in order to maintain the conditions of roads and bridges. In 2010, all levels of governments spent \$100.2 billion on this infrastructure. The report also calls for approximately \$24.5 billion per year to improve transit rail and bus systems, a significant increase from the \$16.5 billion that was spent in 2010.

Additionally, the report notes that the nation's maintenance backlog for transit is at an all-time high of \$86 billion and is estimated to grow by \$2.5 billion each year. The need for repairs affects all facets of the transit systems, including rail stations, rail cars, and power substations. Deputy Federal Transit Administrator Therese McMillan called for a focus on transportation infrastructure, saying, "Making a down payment on this substantial backlog is critical to not falling farther behind in our commitment to modernize the transportation infrastructure that tens of millions of riders depend on every day".

<http://www.fhwa.dot.gov/policy/2013cpr/>

## Upcoming Events

**April 9-12, 2014: TIA Great Ideas Conference & Exposition, Tucson, AZ**

**April 22-25, 2014: NAFTANEXT, Chicago, IL**

**April 29-May 1, 2014: IANA Intermodal Operations, Safety & Compliance Seminar, Oak Brook, IL**

**May 13-14, 2014: Cargo News Presents the 2014 Heartland Shippers Conference, Kansas City MO**



## CAGTC & Freight in the News

**More Trains, Buses and Highways across Region Will Ease Traffic Gridlock, L.A. Mayor Eric Garcetti Says**  
*Los Angeles Daily News*

March 26, 2014

<http://www.dailynews.com/general-news/20140326/more-trains-buses-and-highways-across-region-will-ease-traffic-gridlock-la-mayor-eric-garcetti-says>

**Feds Approve Info Sharing between Seattle and Tacoma Ports**

*Cargo Business News*

March 13, 2014

[http://cargobusinessnews.com/news/031314/news1.html?utm\\_source=CBNNewswire+031314&utm\\_campaign=CBNNewswire+031314&utm\\_medium=email](http://cargobusinessnews.com/news/031314/news1.html?utm_source=CBNNewswire+031314&utm_campaign=CBNNewswire+031314&utm_medium=email)

**Three Trade Groups Laud President's Freight, TIGER funding proposals**

*Progressive Railroading*

February 28, 2014

[http://www.progressiverailroading.com/federal\\_legislation\\_regulation/article/Three-trade-groups-laud-presidents-freight-TIGER-funding-proposals--39607](http://www.progressiverailroading.com/federal_legislation_regulation/article/Three-trade-groups-laud-presidents-freight-TIGER-funding-proposals--39607)

**Inland Empire Economy May Gain from Obama Proposal**

*Daily Bulletin Inland Empire*

February 28, 2014

<http://www.dailybulletin.com/general-news/20140228/inland-empire-economy-may-gain-from-obama-proposal>

**White House Plans \$302 billion surface authorization**

*American Journal of Transportation*

February 28, 2014

<http://www.ajot.com/news/white-house-plans-302-billion-surface-authorization>

**President Obama Talks Transportation but Stakeholders Say Action is Needed**

*Logistics Management*

January 29, 2014

<http://www.logisticsmgmt.com/article/president-obama-talks-transportation-but-stakeholders-say-action-is-needed>

# 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:

**Elaine Nettle**

**WE'VE MOVED!**

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