

Coalition for America's Gateways and Trade Corridors

AECOM

Alameda Corridor-East
Project, San Gabriel Valley
Council of Governments

Broward County's
Port Everglades

California Department
of Transportation

Cambridge
Systematics, Inc.

Canaveral Port Authority

Cascadia Center

Chicago Metropolitan
Agency for Planning

City of Chicago

City of Industry

COMPASS – Community
Planning Association of
Southwest Idaho

Dewberry

Florida Department
of Transportation

Florida East
Coast Railway

Florida Ports Council

Florida Transportation
Builders' Association, Inc.

Freight Mobility Strategic
Investment Board
(Washington State)

Gateway Cities Council of
Governments

Great Lakes Dredge & Dock
Company

HERZOG

HNTB Corporation

Illinois Soybean
Association

Intermodal Association
of North America

Kootenai Metropolitan
Planning Organization

Los Angeles
County Metropolitan
Transportation Authority

Majestic Realty Co.

Maricopa Association of
Governments

Memphis Chamber of
Commerce

Infrastructure Investment and Jobs Act Overview of Freight Funding and Policy Provisions

Multimodal Freight Grant Funding

Due to the complex nature of many freight projects, robust competitive grant funding has been a longstanding priority for CAGTC. The Infrastructure Investment and Jobs Act (IIJA) responds to that priority by providing \$20.5 billion over five years – an unprecedented amount – for three major multimodal discretionary programs, which stand to benefit goods movement projects that often expand beyond modal, geographical, and political jurisdictions.

The INFRA grant program will continue to serve as a valuable resource for large freight projects and is funded at **\$8 billion** over five years. Whereas the FAST Act limited funding for non-highway freight projects to an aggregate of \$500 million over five years – approximately 11 percent of total funding – the IIJA increases the amount of multimodal eligible funding to 30 percent annually. While CAGTC has advocated for elimination of this cap, tripling the amount of funding available for multimodal freight projects is incremental progress.

The fully multimodal RAISE/TIGER/BUILD program provides broad eligibility to a wide range of infrastructure projects, including freight highway, rail, and port projects. Currently, the program is subject to the annual appropriations process. The IIJA would codify this program into reauthorization law for the first time, ensuring continued funding opportunities for smaller infrastructure projects; it provides **\$7.5 billion** in funding for the program over five years.

The IIJA also creates a new National Infrastructure Project Assistance grant program aimed at nationally and regionally significant transportation megaprojects. The program will receive **\$5 billion** over five years. Unlike the freight focused INFRA program, this program is fully multimodal and open to a broad range of large infrastructure projects.

Each of these three programs has unique goals and criteria to assist in fulfilling unmet project needs. The programs complement each other by offering diverse funding opportunities available to freight projects of varying size and project type.

Office of Multimodal Freight Infrastructure and Policy

CAGTC has long advocated for the establishment of an Office of Multimodal Freight within the U.S. Department of Transportation's Office of the Secretary to guide national freight policy and programming. Because the movement of goods spans beyond single modes of infrastructure, specialized knowledge at the federal level is essential to support the unique operational and economic needs of our interconnected freight system. The IIJA requires USDOT to establish an Office of Multimodal Freight Infrastructure and Policy (Freight Office) led by an Assistant Secretary of Multimodal Freight.

Metropolitan
Transportation
Commission

Moffatt & Nichol

National Railroad
Construction and
Maintenance
Association

NASCO – North
American Strategy for
Competitiveness

The Northwest
Seaport Alliance

Nossaman LLP

Orange County
Transportation Authority

Port Authority of
New York & New Jersey

Port Houston

Port Newark Container
Terminal

Port of Hueneme

Port of Long Beach

Port of Los Angeles

Port of New Orleans

Port of Oakland

Port of San Diego

Port Tampa Bay

Port of Vancouver USA

Ports America
Chesapeake

Prime Focus, LLC

Puget Sound Regional
Council

RAILCET

SANDAG - San Diego
Association of
Governments

Southern California
Association of
Governments

Tennessee Department
of Transportation

Washington State
Department of
Transportation

Will County Center for
Economic Development

WSP

The Freight Office will oversee freight planning activities at the national and state level and manage the administration of multimodal grant programs, including INFRA, RAISE/TIGER/BUILD, and the new megaprojects program.

This office stands to provide a great opportunity to advance significant freight projects. Considering the large amount of discretionary grant funding within the IIJA, CAGTC intends to work closely with the new Freight Office to serve as a resource in guiding the implementation of new and existing freight programs.

Freight Formula Program

Recognizing that each state has individual freight needs that vary in size, CAGTC supports federal programs seeking to address these needs through a combination of funding distribution methods. While discretionary programs are critical in supporting large, multijurisdictional projects, the National Highway Freight (freight formula) Program provides resources to address small and medium sized freight projects. The IIJA provides **\$7.15 billion** for the freight formula program over five years and raises the amount available to multimodal projects from 10 percent annually to 30 percent, advancing state freight investment and planning efforts.

Rail

There are over 220,000 public and private grade crossings in the U.S., some of which raise safety and congestion concerns in impacted communities. The IIJA creates a new grant program for highway-rail grade crossing improvement projects – funded at **\$3 billion** over five years – providing targeted funding for projects that support passenger and freight mobility, efficiency, and safety. Additionally, the bill provides **\$5 billion** over five years for the popular CRISI grant program available to a range of passenger and short line rail improvement projects.

Bridges

The legislation provides **\$40 billion** over five years for bridge improvement projects through new competitive and formula funding programs. Many bridges across the country are in poor condition, resulting weight restrictions or closures strain freight movement by increasing travel times and congestion. Investments in bridge rehabilitation and replacement projects, particularly on designated Interstate and U.S. highway bridges, will improve national and regional freight efficiency as well as roadway safety.

Ports

The bill includes **\$2.25 billion** over five years, or \$450 million annually, for the Port Infrastructure Development Program. The program provides grants to improve facilities, operations, and intermodal connections near or within seaports, inland ports, and Great Lakes ports. The PIDP program has been subject to the annual appropriations process and most recently received \$230 million in the fiscal year 2021 appropriations act. The program remains separate from surface transportation authorizations within the IIJA, funded through multi-year direct appropriations from the General Fund at significantly increased levels to enhance maritime and intermodal transportation infrastructure.

Freight Planning and Research

Coordinated national and state freight planning strategies and policies support supply chain efficiency to meet current as well as future freight demands. As guided by the new Freight Office, the IIJA calls for changes to State Freight Advisory Committees, Multi-State Freight Corridor Planning, the National Multimodal Freight Network, and the National Freight Strategic Plan to align overarching priorities, improve public and private industry collaboration, and consider emerging opportunities and challenges. The IIJA also reinstates the National Cooperative Freight Transportation Research Program to study issues related to freight efficiency and resiliency, future freight trends, and workforce considerations.