



Freight transportation has experienced tremendous growth and change over the past two decades, and the future promises more of the same.

- In the year 2000, the U.S. transportation system carried more than 14 billion tons of freight valued at over \$11 trillion.
- Over the next 20 years, the volume of domestic freight is expected to double and the volume of international freight, to triple.
- The number of containers that can be carried by a single ship and must move through America's ports has quadrupled.
- The value of cargo moving by air has skyrocketed.
- In 1998, the highway system carried 71 percent of the total tonnage of freight and 80 percent of the total value.
- E-business has not reduced freight movement, but has transformed it as warehouses have moved onto the roads and truck deliveries are made in every neighborhood.

This growth and change have occurred within physical systems — highways, rail lines, ports, waterways and airports — that have not grown and changed to meet the needs. Congestion and capacity constraints on the movement of freight are problems that must be addressed. At stake are the productivity of the U.S. economy and our competitiveness in world markets. AASHTO believes freight should be one of the top priorities addressed through TEA-21 reauthorization.

freight transportation

RESPONDING TO GROWTH AND CHANGE

AASHTO PROPOSALS

Grow the Overall Highway Program to at Least \$45 Billion by 2009

If Congress increases overall funding as AASHTO has recommended, this will allow states and their counties and cities to significantly increase the resources dedicated to improving the movement of freight. Each state will be able to draw from its apportionment of interstate maintenance, national highway system (NHS), bridge, surface transportation, and congestion mitigation/air quality (CMAQ) funds, which nationally should total nearly \$165 billion. The specific ways in which to do so should be left up to states and their local governments to decide according to the planning processes established under TEA-21, rather than attempting to impose a “one-size-fits-all” solution.

Freight Planning Capacity-Building

A freight planning capacity-building program funded at \$7 million annually should be established to improve and better integrate freight issues into the statewide and metropolitan transportation planning processes. This will improve the competitiveness of freight-related projects. Developed jointly by AASHTO and the U.S. DOT, this program would improve freight planning and implementation tools and techniques for national, multi-state, statewide and metropolitan areas.

Borders and Corridors

The borders and corridors program was funded at \$700 million over 6 years in TEA-21. AASHTO believes this program should increase at a rate proportional to the increase in the overall program, and be augmented by innovative financing tools. The borders and corridors program should be focused on expediting freight movement in freight corridors and facilitating the flow of exports and imports at international ports of entry, including land-side access to trade gateways. Adequate funding for border operating costs should be provided from the General Fund and other institutional barriers at land borders should be addressed expeditiously.

Research

A Freight Transportation Cooperative Research Program should be funded at \$8 million annually. Resources should be devoted to a comprehensive freight data collection, analysis, and dissemination strategy.





National Freight Industry Advisory Group

A national freight industry advisory group should be created, including significant state participation, as a means of communicating with one voice to U.S. DOT on freight transportation issues.

Innovative Financing

Existing financing tools, such as the Transportation Infrastructure Financing Innovation Act (TIFIA) and state infrastructure banks (SIBS), should be amended, and new mechanisms and incentives, such as intermodal pooling and targeted tax incentives, should be developed to increase investment in freight transportation projects

Intermodal Connectors

Investment in the “last mile” of a freight shipment should be increased through both core program spending and innovative finance tools to correct deficiencies in segments of roads that connect to freight hubs such as seaports, airports, truck and rail terminals.

CMAQ Eligibility

The eligibility for CMAQ funding of freight transportation projects that contribute to achievement of CMAQ objectives should be clarified.

Increased Funding for Rail Crossings

Funding for the highway/rail at-grade crossings (Section 130) program should be increased proportionate to the increase in the overall program to achieve both safety and productivity improvements.

Reform the Railroad Rehabilitation and Improvement Financing Program

Congress should enact legislation that increases the loan and loan-guarantee amount available through the \$3.5 billion Railroad Rehabilitation and Improvement Financing program and corrects the restrictions in the program that limit the financial advantage provided and make it difficult to approve projects.

Authorize Commercialization Activities at Interstate Rest Areas

Congress should permit the commercialization of rest areas to relieve states of the full burden of financing the rest areas, as well as generating revenue for other purposes.

