

The National Surface Transportation Commission and the MVFC

April 2008





MVFC

Recommendations

- The USDOT should help policy makers and the general public understand the importance of freight movement.
- The federal government must define strategies and standards for implementing advanced traveler information.
- A federal initiative is needed to address bottlenecks such as Detroit border crossing or CREATE.
- The federal government might also consider steps and incentives to encourage states to pool resources to address regional bottlenecks.
- The federal government should take a leadership role in engaging the states and industry to develop a national system and a national strategy for increasing highway capacity.
- The federal government may need to take a larger role in addressing railroad capacity.



MVFC

Recommendations

Public policies should be enacted that encourage the efficient use of all modes. Some of the measures that could be considered include:

- Expanding use of pre clearance techniques to streamline the paperwork involved in intermodal transactions.
- Investing in research to improve the technologies of intermodal transfer with the goal of making such transfers more economically and temporarily competitive.
- Increasing the payload weight limits for truck drayage shipped largely by rail or water.
- Revising tax policies, such as the Harbor Maintenance Tax, which now make the use of our abundant waterways less competitive.
- Defining special corridors as trade zones to increase the traffic density, making rail movements more competitive.
- Encouraging and providing incentives for private sector investments.
- Building relationships with private sector partners that can invest in intermodal facilities.



MVFC

Recommendations

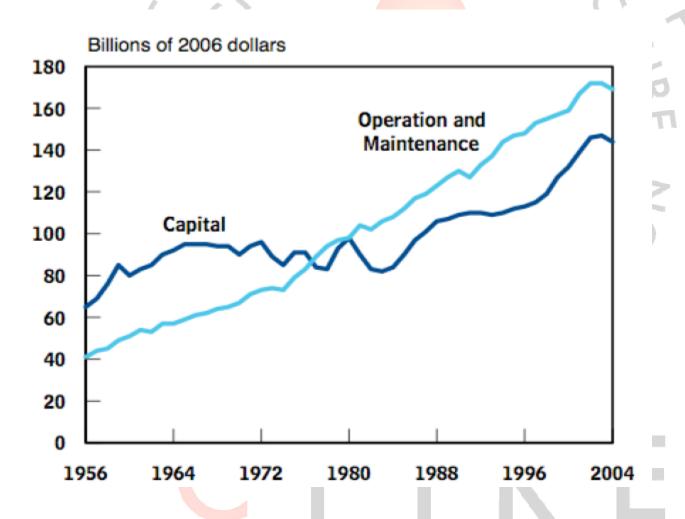
- The federal government should make a concerted effort to engage shippers and carriers to identify impediments to efficient freight movements and then strategies to reduce those impediments.
- The federal government should assign a very high priority to leading the effort to find, refine and make available alternative energy sources for transportation to reduce our dependence of fossil fuels.
- The federal government must commit itself to maintaining and improving sources of information relative to the movement of freight.
- The federal government should provide leadership for the states and the industry to establish a sheltered new truck driver intern program.
- There must be predictable and sustained federal investment programs. Those programs must be expanded in size and cover all the modes.
- The federal government should take a leadership role in facilitating public partnerships to finance and implement transportation efforts



Commission's Proposed Funding 250 **Funding Levels in Billions** 200 Highway 150 Transit 100 Freight Rail 50 Passenger Rail 2005 2020 2035 2055

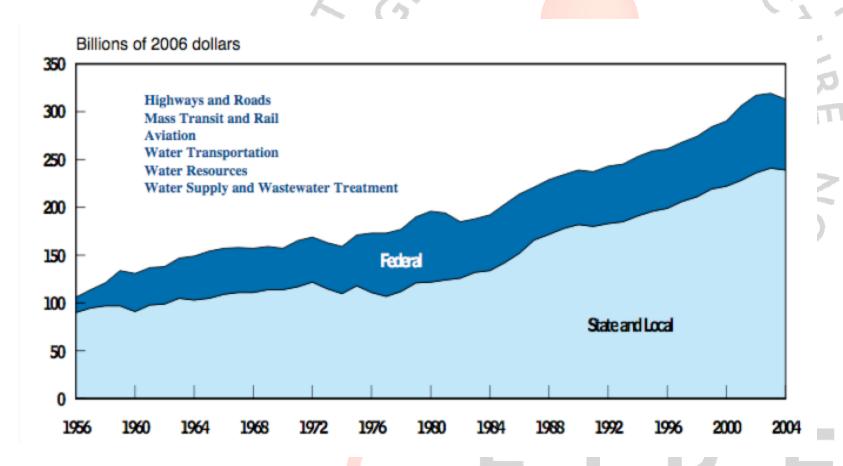


Public Spending for Infrastructure



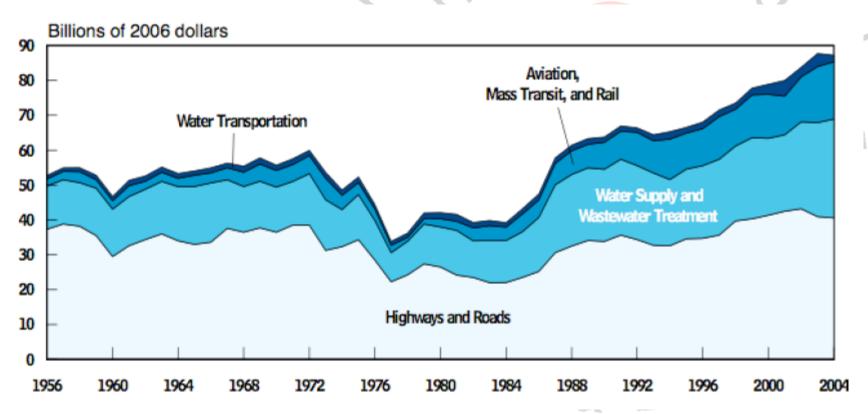


Public Funding by Source





State and Local Funding





Commission: Funding

Compatible with MVFC

- Consolidate 108 programs from five agencies into 10 programs
- Federal government should maintain a 40% share of total funding
- Use freight fee (container charge, waybill charge, etc.) to fund the removal of freight bottlenecks
- Remove barriers to tolls for new capacity and congestion pricing
- Uniform toll collection technology



Funding: Beyond MVFC

- The federal Motor Fuel Tax (MFT) should be raised from 5 to 8 cents per year over next five years, for a total of 25 to 40 cents
- Index federal MFT to inflation
- Levy federal ticket tax on transit
- Dedicate a portion of customs duties to freight-related improvements
- Use federal tax credit for freight facility expansion
- Levy ticket tax for passenger rail
- Share carbon tax for projects that reduce CO2 emissions
- Expand use of congestion pricing
- Encourage 3Ps
- Require a national study for long term (beyond 2025) revenue solutions
- Rename the Highway Trust Fund to Surface Transportation Fund



Commission Planning

Compatible with MVFC

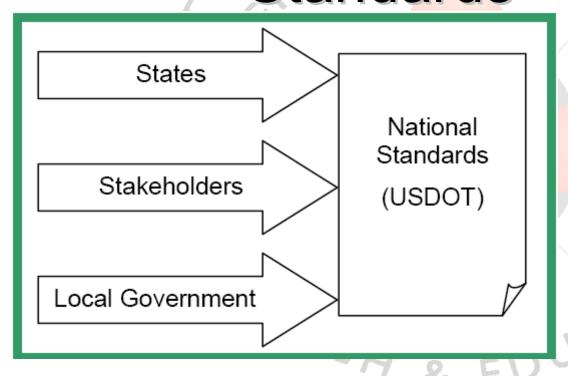
- USDOT would take the lead in developing a National Freight Plan
- Encourage multi-state freight groups

Beyond MVFC

- Programs would be based on individual state plans
- Develop national performance standards for each program
- Develop state and local standards within the national framework
- Plans would be updated before each reauthorization
- Projects would have to be within plans and costbeneficial
- Progress toward meeting performance standards would be measured
- A National commission would be established to oversee national policy, advise Congress, consolidate plans and allocate funds to projects
- Metropolitan mobility plans required for areas over a million
- Current metropolitan planning processes retained for smaller areas

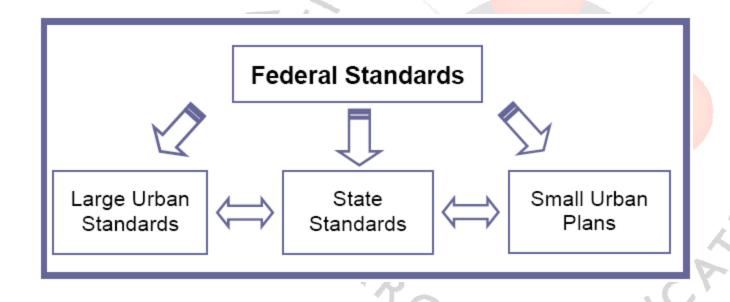


Developing National Standards





Developing State and Regional Standards





NFRACE

State Plans

- Asset mgt
- •Connections
- •Freight
- ·Safety
- Environmental
- •Passenger rail

Large Urban Plans

- Congestion
- Safety
- •Freight
- •Asset mgt.

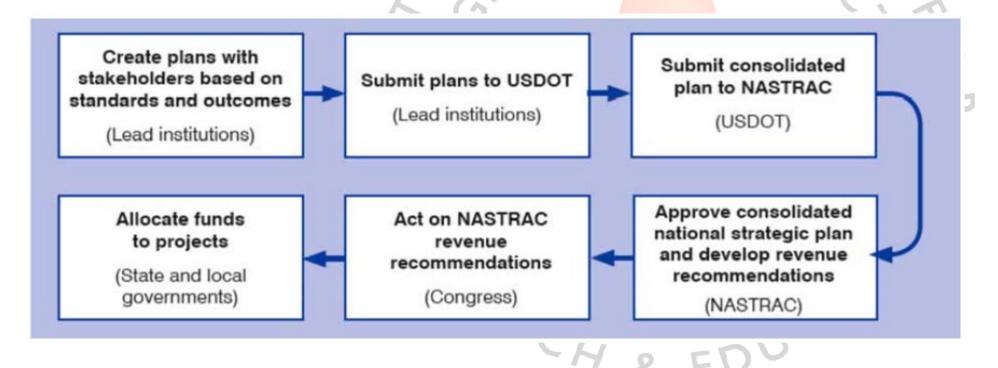
Small Urban Plans

Planning Process

USDOT National Consolidated plan



The Role of the NASTRAC





Development of a Performance Based Planning Process

- Integration of performance-based methods into the planning process remains a desirable and importance objective.
- States and MPOs are looking for guidance rather than regulation.
- Implementation of performance-based planning methodology in the transportation planning context is an evolutionary process.
- Programs that started out comprehensive in nature have been refined to provide a smaller, more focused method of measuring system condition and performance.
- Performance measures are being applied in a variety of contexts.
- The research findings do not warrant any endorsement for using performance measures as a way of replacing current transportation project prioritization and selection processes with purely analytical, quantitative methods.
- In most transportation agency applications, performance-based approaches have not yet had a significant impact on the ultimate outcome of decisions.



Commission Research

Compatible with MVFC

- Authorize \$200 million annually for energy research to reduce dependence on petroleum
- Develop national R&D plan with goals
- Invest in data collection

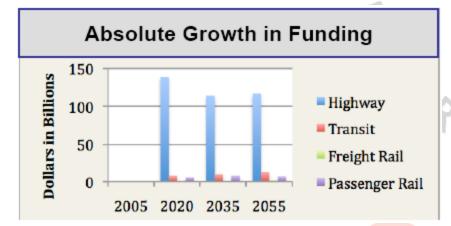


Major Commission Omissions

- Inter-modalism
- Improved freight productivity
 - Less intrusive enforcement
 - o Parking information
 - o Traveler information
 - o Drowsy driver detection systems
- Improved awareness of freight by policymakers and the public
- A multi-modal national freight network
- Encourage use of inland ports



Relative Growth in Funding Highway Transit Freight Rail 2005 2020 2035 2055



FIRE

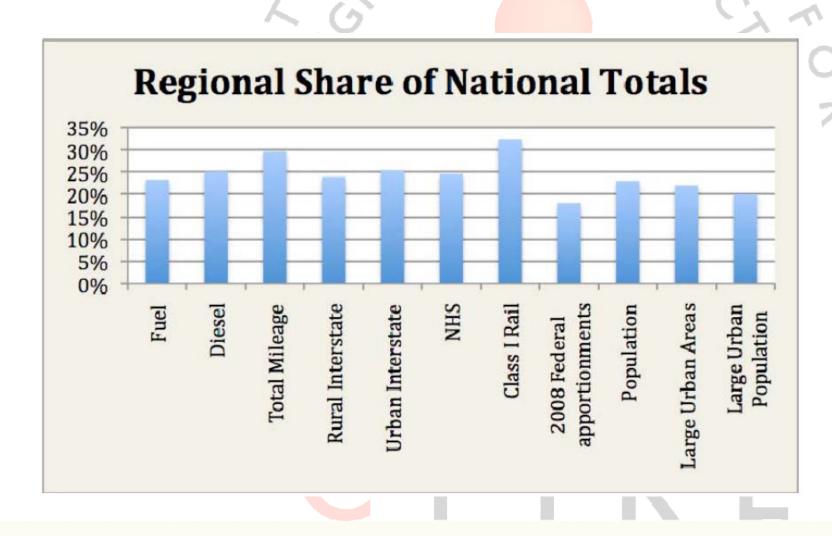


Potential Commission Omissions

- Technology: Research on innovation and standards for interoperability for transportation technology
- Encourage use of technology
 - Information
 - Interoperability standards
 - WIM and other truck technology
 - Inter-jurisdiction coordination
- Provide states more flexibility in funding programs
- Align funding to national strategies
- Reexamine the revenue collection methods
- Incremental actions on energy policy

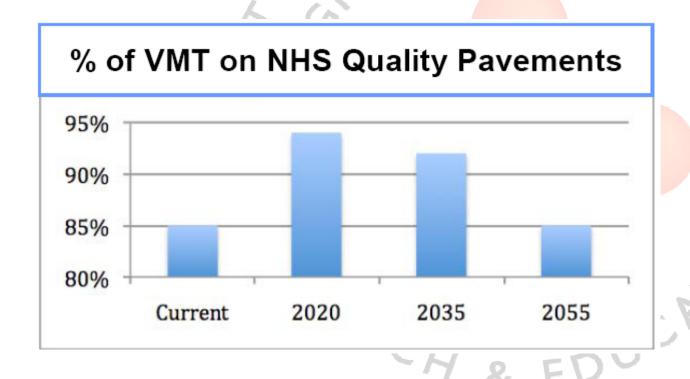


What Does it Mean for the MVC?



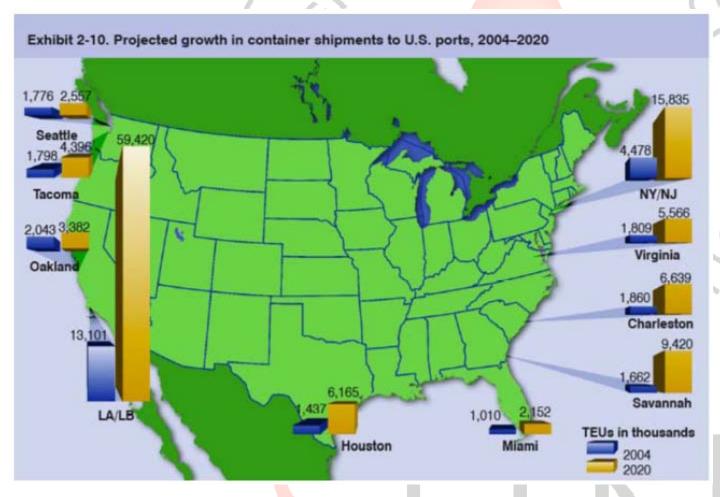


Rebuild America





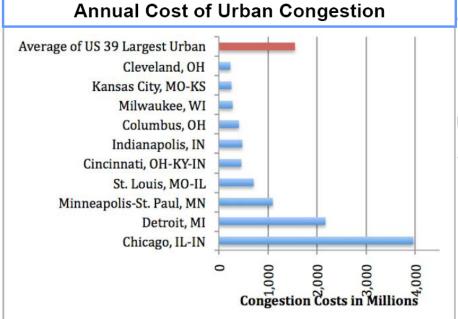
Growth in Container Shipments 2004-2020

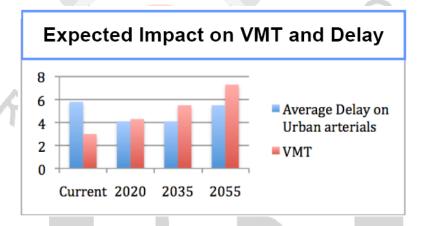




Congestion Relief

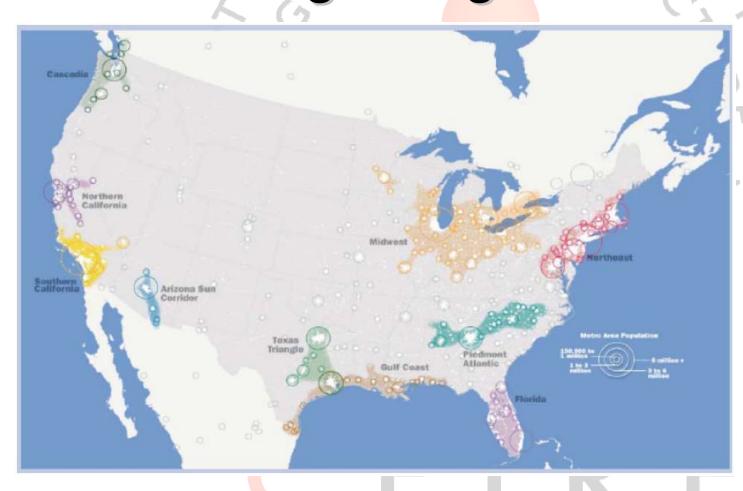






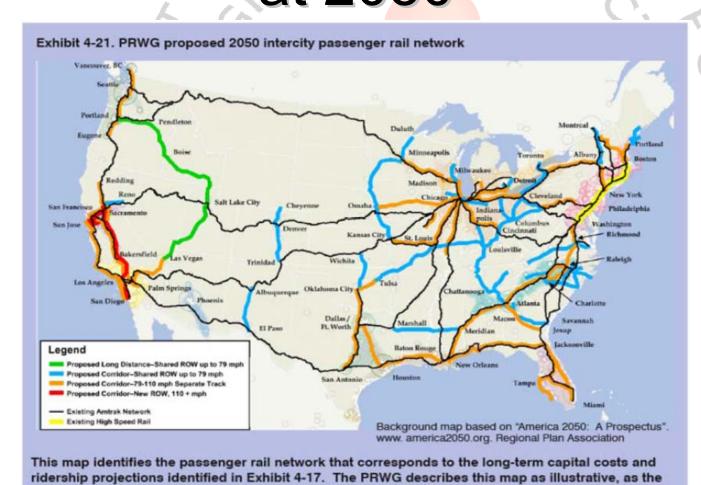


Connecting America Mega-Regions





Passenger Rail System at 2050



exact routes that would be included in such a network could differ.



Other Issues

- Recommended funding is in all dollars: 60% of the highway dollars would be non-federal
- Tolling and congestion pricing made easier
- The environmental fund may make some expenditures easier



Conclusions

- Major increase in funding would allow progress in meeting highway needs
- Planning requirements hold the promise for greater accountability and understanding
- Rail funding might allow progress on issues like CREATE



Conclusions

- Still lacking a policy framework for dealing with rail
- Lack of attention to the water mode
- Congestion relief focus on large metro areas may not help this region as much
- Freight focus on internal trade may not help this region much



Conclusions

- Connecting America should help the MVC
- Rebuilding America should also help
- Ultimately the impact will depend on final decisions on allocating funds