



TOP FIVE STRATEGIES

INITIATIVES TO ADVANCE MAASTO STATE MAP-21 FREIGHT INITIATIVES AND PROMOTE ECONOMIC GROWTH

The Mid-America Freight Coalition (MAFC) encompasses the ten MAASTO states and cooperates to support the planning, policies, and programs, as well as the operation, preservation, and improvement of freight infrastructure in the Midwest. The National Center for Freight and Infrastructure Research and Education (CFIRE) has facilitated this coalition for nearly ten years.

The MAFC is currently working on a regional freight study that has been developed in parallel with the release of MAP-21 freight initiatives. The results of this study will help state planners and development groups understand and incorporate the benefits of a regional approach to their transportation and multimodal freight planning. Furthermore, the MAFC regional freight study is designed so that the results will assist in the implementation of MAP-21 freight initiatives and in the development of a rational approach to future freight policy and legislation. This document summarizes the MAFC's "Top Five" strategies for aligning with MAP-21 freight initiatives. As the national freight agenda advances, MAASTO states can use these key strategies to advance their freight agendas and work toward the implementation of MAP-21.

Top Five MAP-21 Opportunities and Actions

OPPORTUNITY	MAFC INITIATIVES AND ACTIONS
Representation on the National Freight Network	Identify, map, and evaluate the major multimodal freight corridors in the MAFC region. Compare MAFC region corridor expectations with the National Freight Network to provide a basis for the development of national, regional, and state systems in this region.
Freight-related Economic Development	Identify the value and economic contribution of major freight corridors in the MAFC region. Identify economic trends in the MAFC region and tie these trends to supporting transportation developments and strategic investments.
Multimodal Freight Systems	Identify the extent, importance, and value of multimodal freight systems in the MAFC region. Identify policy options that support further integration of freight movements on highway, rail, marine, and aviation systems.
The New Energy Revolution	Identify energy corridors for inclusion in primary and critical rural networks. Conduct research and outreach to better understand the anticipated changes in fleet fuels, changes in fuel efficiencies and environmental impacts, shipping cost structures, and possible mode diversions.
Freight Stakeholder Participation	Support the development and utilization of freight advisory committees. Advance the position of freight as a top-line customer for state DOTs through increased participation and input on planning, design, funding, and operations of freight systems.



TOP FIVE STRATEGIES

ISSUES AND OPPORTUNITIES: AN IN-DEPTH LOOK

Representation in the National Freight Network

Defining and operationalizing freight corridors and a National Freight Network begins with specification of the Primary Freight Network to be completed by October 1, 2013. The proposed Primary Freight Network focuses on truck-borne freight, but truck volumes and tonnages are not sufficient criteria because they are measures of outputs not outcomes. They also do not consider strategic factors or link freight to economic competitiveness. The necessary freight network consists not only of major corridors but also strategic multimodal corridors and necessary connections in the MAFC region, as well as across the nation. Because the Primary Freight Network is limited by legislation to 27,000-30,000 miles, there are significant freight corridors that will not be included at the outset. It is likely that many regions of the country will be under-represented, lack full accounting for potential system miles, or would prefer to support a parallel multimodal corridor. The initial national network components cannot fully and equitably support or drive National Freight Network development and the economy.

Background: The current legislative definitions of the Primary Freight Network will likely focus on the top corridors based on tonnages and truck numbers. This approach does not address strategic decisions and investments in lower volume yet significant corridors, high volume connectors, or planned development. Nor does it account for the intermodal potential of many freight loads. All forms of intermodal connections to ports, rail heads, and warehouses feed freight corridors and without maintenance and development they could falter. Additionally, a defined freight network is the foundation for regional, state, and local planning and development. These corridors provide freight and passenger movement, connections to urban areas, and access to new energy sources. They will evolve to support changing global economic patterns such as reshored supply chains, which can be expected to bring new demands and efficiency requirements, as well as specialized logistics at the corridor-level.

Action: Identify and understand the state, regional, and national freight corridors that serve the MAFC region. Actively champion the corridors, connections, and modes as the Primary Freight Network is being identified, presented, and finalized. As part of this endeavor, the range of functions and benefits that the region's freight network provides should be identified and included as factors in the prioritization for the continued development of the National Freight Network.

Freight-related Economic Development

A reliable, efficient freight network plays an important role for attracting and retaining industry and business. Access to the freight network and freight facilities is essential for creating jobs and value for communities, states, and regions.

Background: Freight corridors and facilities service disaggregated industries and commerce such as agriculture. These corridors and facilities also concentrate manufacturing and associated businesses. With transportation investments generally providing returns on the order of 3 to 1, freight investments tend to bring additional, long-lasting returns because they specifically support industrial and logistics development that creates employment and results in clustering of support businesses.

Action: Identify the freight corridors that are economic engines in the MAASTO region along with the critical connectors and transfer facilities that support the region's core industries. Identify and pursue strategic investments that support the growth of current economic activity and the attraction of new economies. Work to better understand the drivers of freight

TOP FIVE STRATEGIES

development in a global economic context in order to leverage opportunity in a global economy, to ensure continued national and state economic significance, and to maintain and further develop a multimodal freight network.

Multimodal Freight Systems

Approximately 68 percent of freight in the United States moves by truck. As such, MAP-21 is a highway-based bill and its freight initiatives are predominantly geared toward truck transport. However, multimodal freight movement can achieve efficiencies, provide economic growth, and lead to environmental and traffic benefits.

Background: Traditional road user fees need to be protected for roads because road investment and maintenance has clearly fallen behind. Nevertheless, multimodal funding, as well as innovations in design and operations, are critical to provide for development and use of alternative freight modes where appropriate.

Action: Advocate for multimodal solutions and fund these developments where possible. Follow up on these developments with an assessment of the adoption, use, and efficiencies of the movement of freight on the multimodal system. Where appropriate, institutionalize a multimodal perspective in agencies by including training and education on all modes, ensuring multimodal stakeholder participation in planning and freight advisory activities, and considering partnerships with rail, maritime, and aviation interests to advance freight development.

The New Energy Revolution

U.S. oil production increased 14 percent in 2012, the largest yearly increase in U.S. history. This ongoing rapid expansion of U.S. energy production will drive economic and transportation development, new energy corridors, boom and bust development cycles, new mode mixes for inputs and gas movements, and new environmental issues.

Background: The shale revolution fueled by a variety of hydraulic fracturing techniques has brought this fuel resource to reality. All MAASTO states are directly or indirectly involved in this energy revolution. The transportation demands are profound for all aspects of hydraulic fracturing operations. Wisconsin and Minnesota are a primary source for mining materials such as frac sand. Ohio and Kansas both host drilling operations. The demands on the transportation infrastructure to move oil and gas, inputs, and products to other points in the logistics chain, as well as possible changes in freight fleet fuels and potential modal shifts for commodities and goods are all changing the transportation landscape in the United States.

Action: Identify the freight movements, multimodal corridors, and transportation development opportunities associated with energy development, energy movement, and collateral development. Identify energy corridors as system components of the Primary Freight Network and critical rural freight networks. Coordinate with the industry and local governments to increase the benefits and minimize the impacts of this energy revolution. Support efforts to better understand and anticipate changes in fleet fuels, shipping cost structures across the modes, and possible mode diversions.

Freight Stakeholder Participation

Freight is one of the biggest users of the transportation system and an economic engine for the MAASTO region, yet we often hear the industry quip, “freight doesn’t vote.” Freight movements affect passenger travel, safety, infrastructure design and maintenance requirements, the environment, and economic development. As such freight should be a top-line customer for state DOTs.

TOP FIVE STRATEGIES

Background: MAP-21 encourages states to develop freight advisory committees and to include freight in the planning process. Each industry, as well as each mode, has different requirements for the freight transportation system. Some of these requirements create divergent non-competing priorities, while others create parallel competing priorities for infrastructure investment. Advisory committees composed of public- and private-sector stakeholders can help facilitate the understanding of these priorities and the best ways to find a balance between them. MAFC has prepared profiles of several freight advisory committee models. These profiles include summaries of institutional relationships, membership models, and a discussion of the more specific charges for these groups.

Action: Implement and institutionalize freight advisory groups that convene either on an as-needed project-by-project basis or regularly within the DOT. Use these groups to represent the various customer sectors of the freight system for data-driven development of planning documents. Focus specialized state and regional customer survey efforts on freight related industries and businesses. These freight customer survey efforts, or business and industry surveys, should be institutionalized in the same way that customer satisfaction efforts have been implemented by state DOTs over the last 10 years to support performance-based service.

Summary

The freight Initiatives in MAP-21 provide the basic policy and program framework for state, regional, and national freight development. These “Top Five” strategies and development approaches demonstrate how the MAFC Regional Freight Study aligns this national policy direction with a regional freight system inventory, assessment, and action plan for the further development of a multimodal freight and economic network.

The initial results of the MAFC Regional Freight Study will be available in the third quarter of 2013. For more information and ongoing updates, visit midamericafreight.org/projects/study/.

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The Mid-America Freight Coalition (MAFC) is a regional organization that cooperates in the planning, operation, preservation, and improvement of transportation infrastructure in the Midwest. The ten states of the AASHTO Mid-America Association of State Transportation Officials (MAASTO) share key interstate corridors, inland waterways, and the Great Lakes. The MAFC is funded by the National Center for Freight and Infrastructure Research and Education (CFIRE) and the DOTs of the ten member states.