



# **FREIGHT-LU**

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**Delaware Valley Goods Movement Task Force  
October 21, 2005**

# Freight Challenge

The background of the slide is a collage of four grayscale images. The top-left image shows a freight train with several boxcars. The top-right image shows a large cargo airplane on a tarmac. The bottom-left image shows a large cargo ship at sea. The bottom-right image shows an offshore oil rig.

**Too Much**

**Too Little**

# U.S. Population Growth

U.S. Census

1960 - 2000

180 million to 280 million

**Growth**

**100 million**

2000-2040

280 million to 390 million

**Growth**

**110 million**



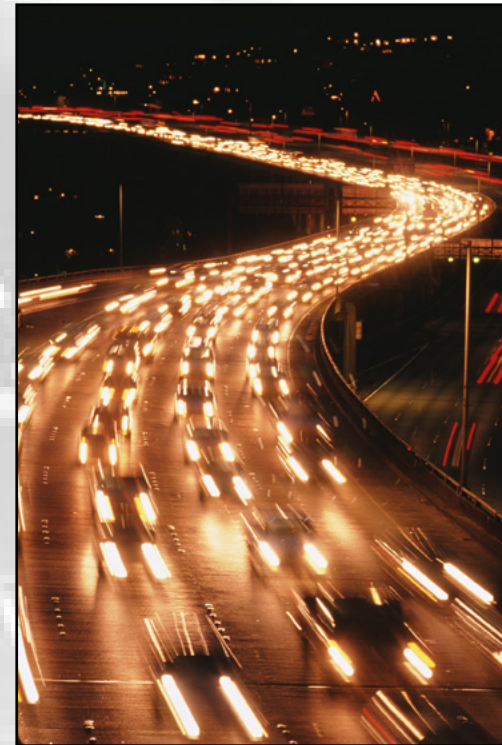
# Travel Demand

## VMT

1960 750 billion

2000 2.75 trillion

2040 5 trillion



Registered vehicles in 2000

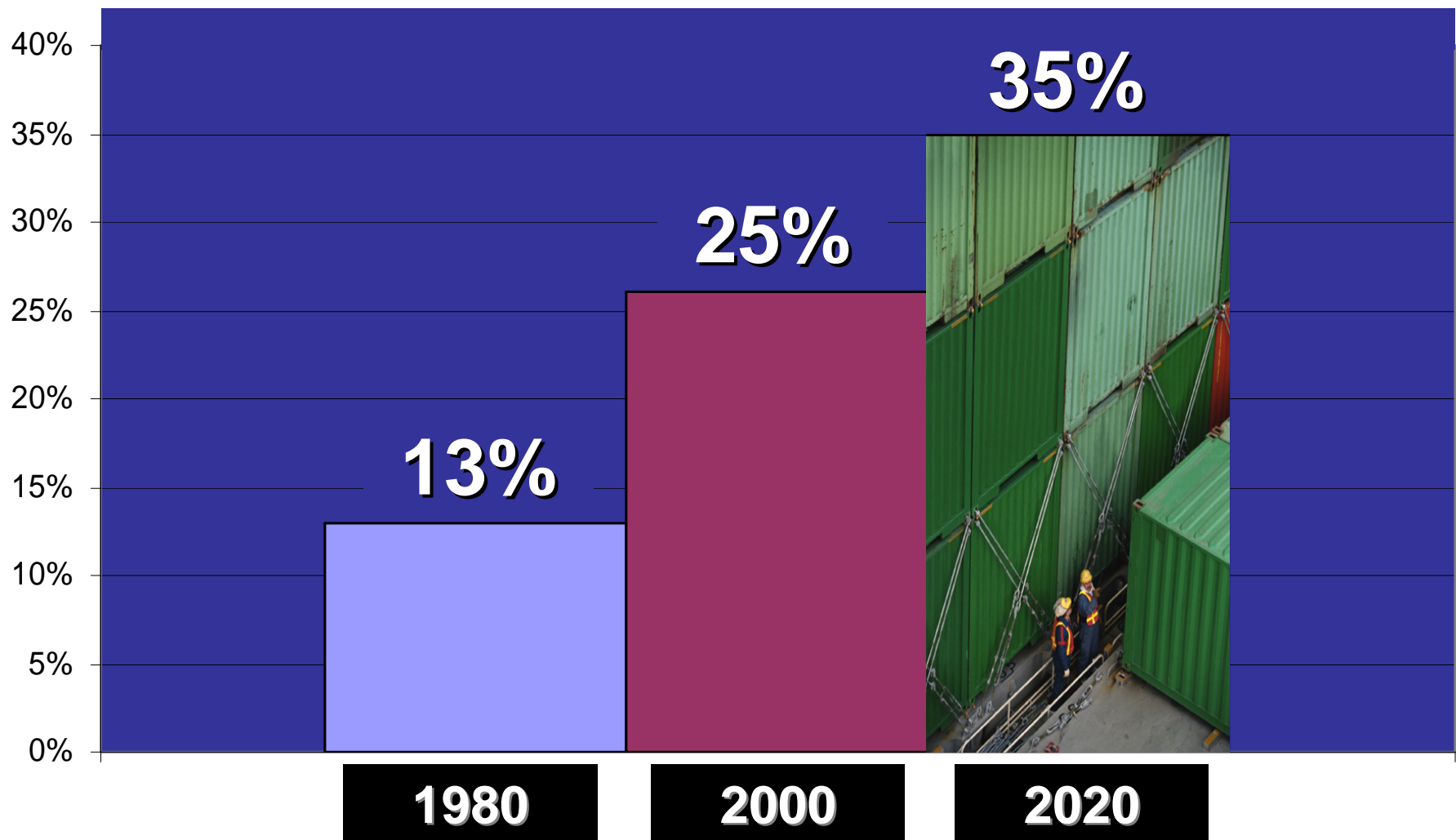
229 million

Registered drivers in 2000

223 million

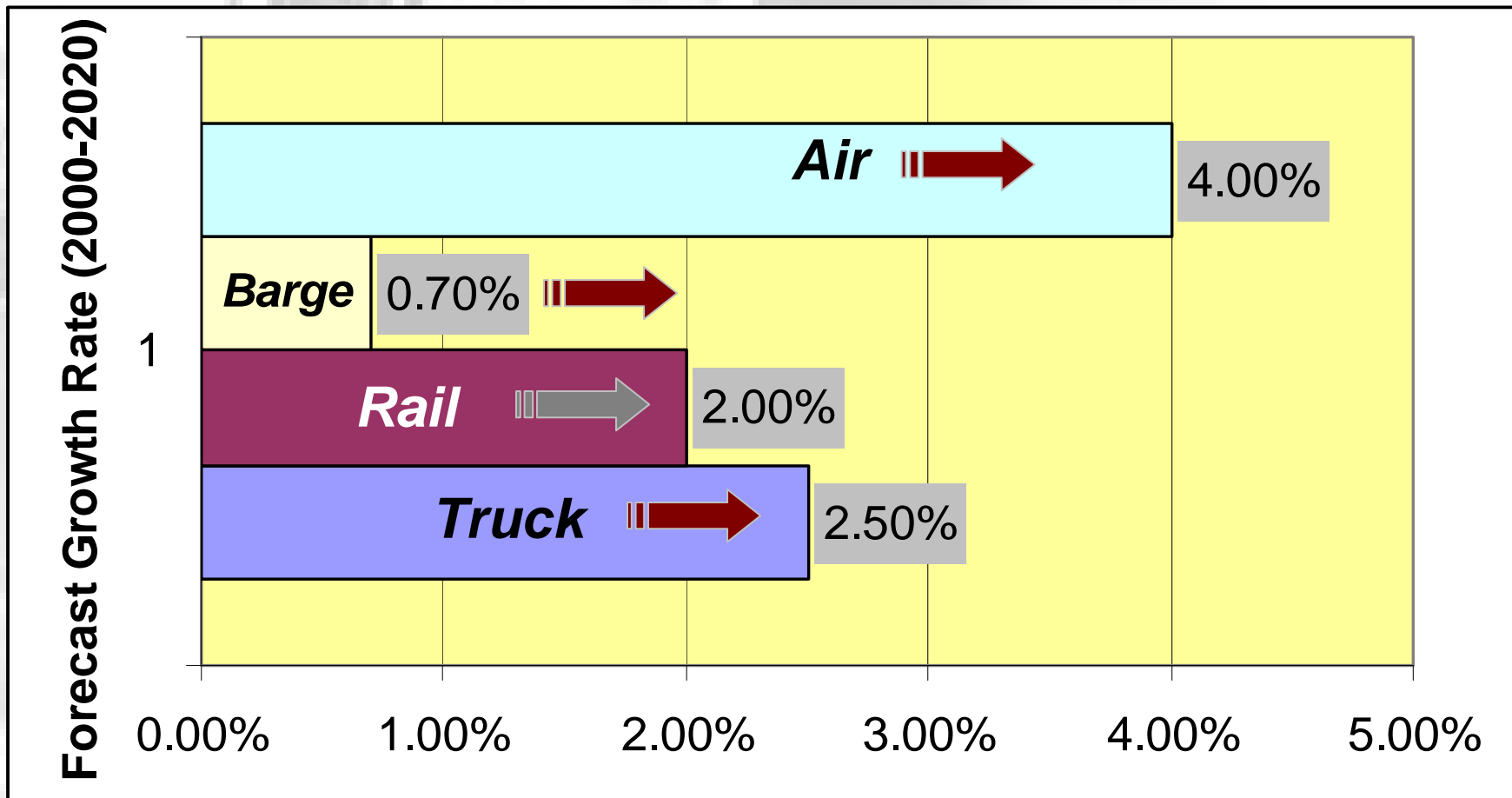


# Growth in Trade as a Percentage of US GDP

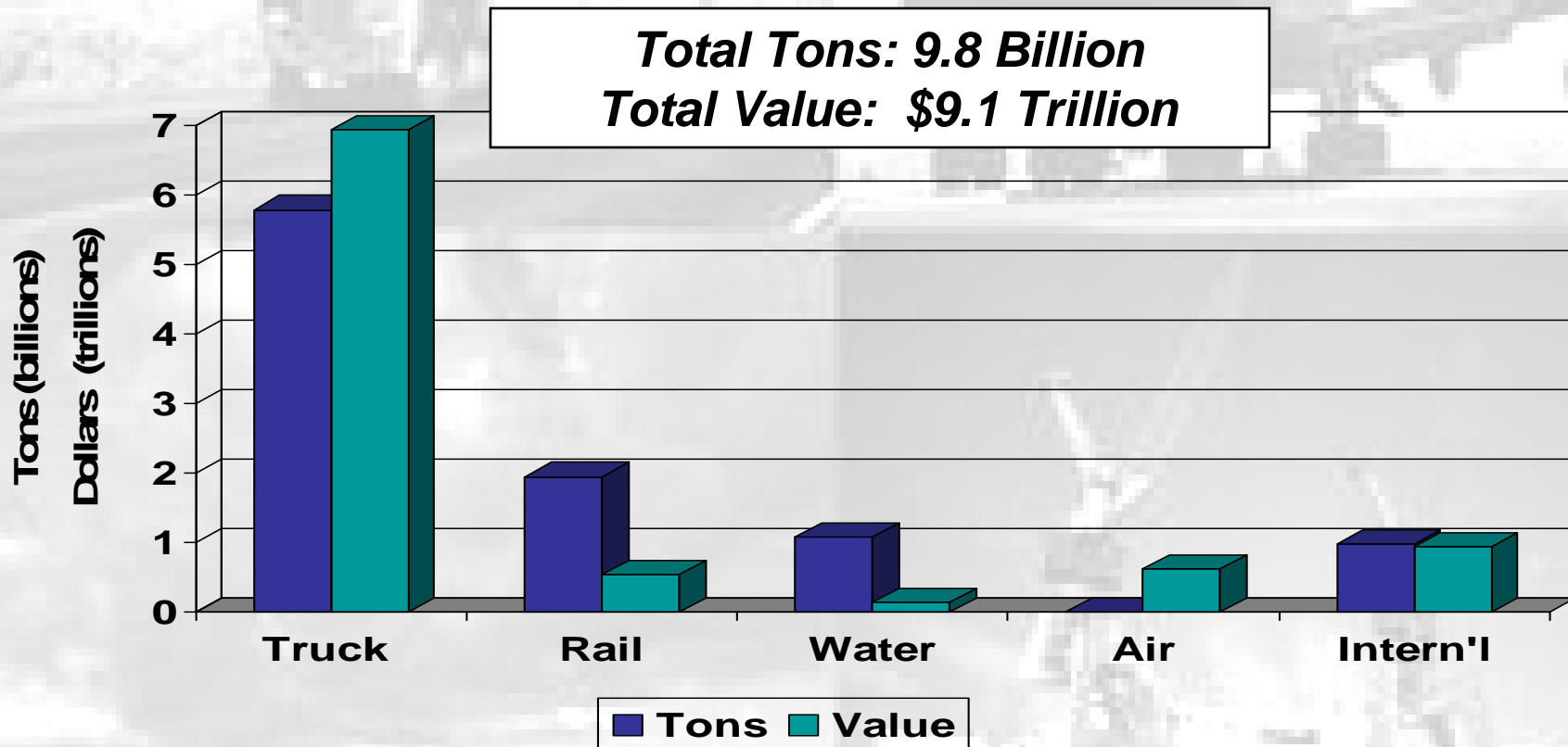


# A Plausible Annual Growth Scenario

(2000 to 2020 in Ton-Miles)



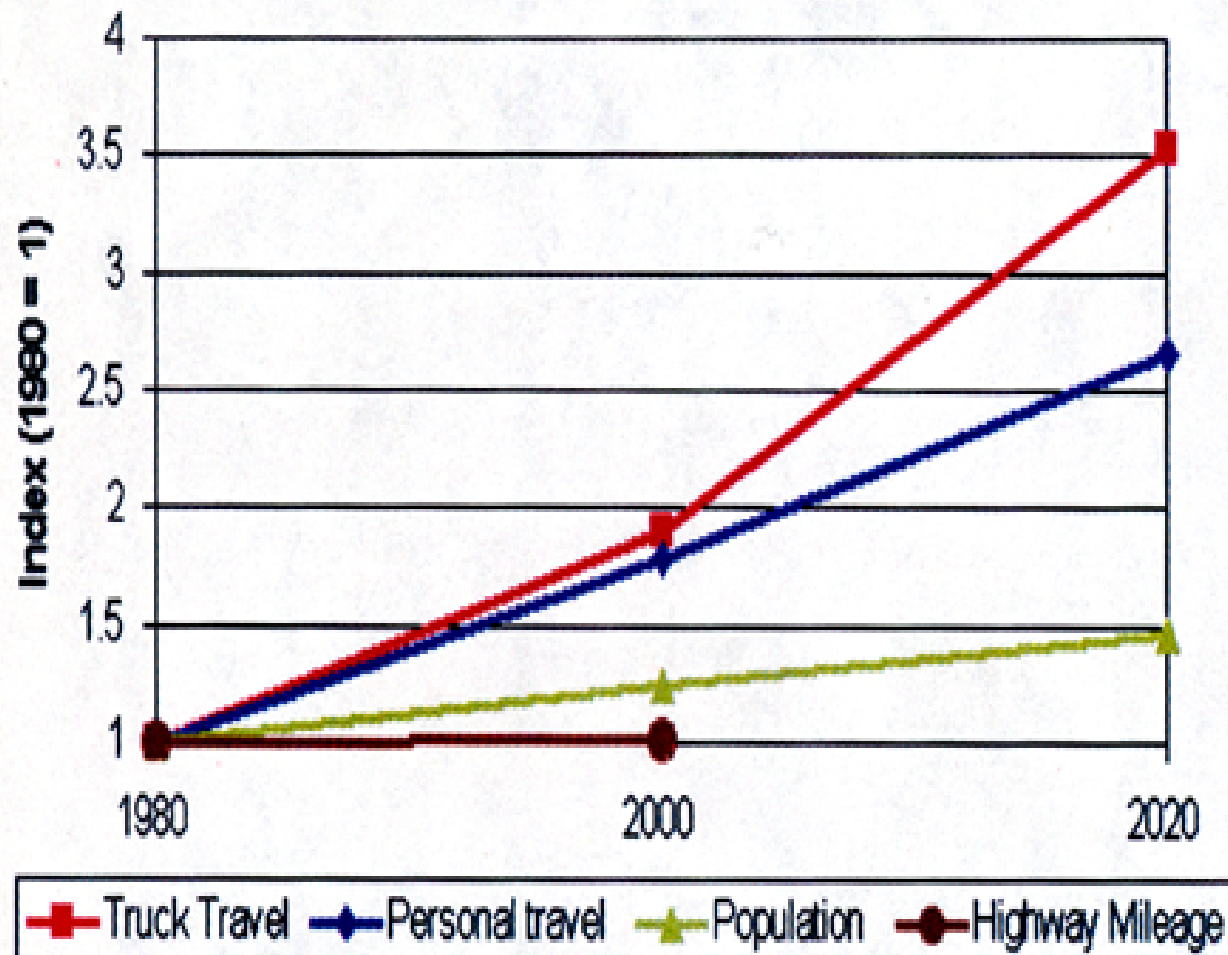
# Market Share by Freight Mode



Source: FHWA Multi-Modal Freight Analysis Framework Project using Reebie Associates  
1998 data (1st Approximation)



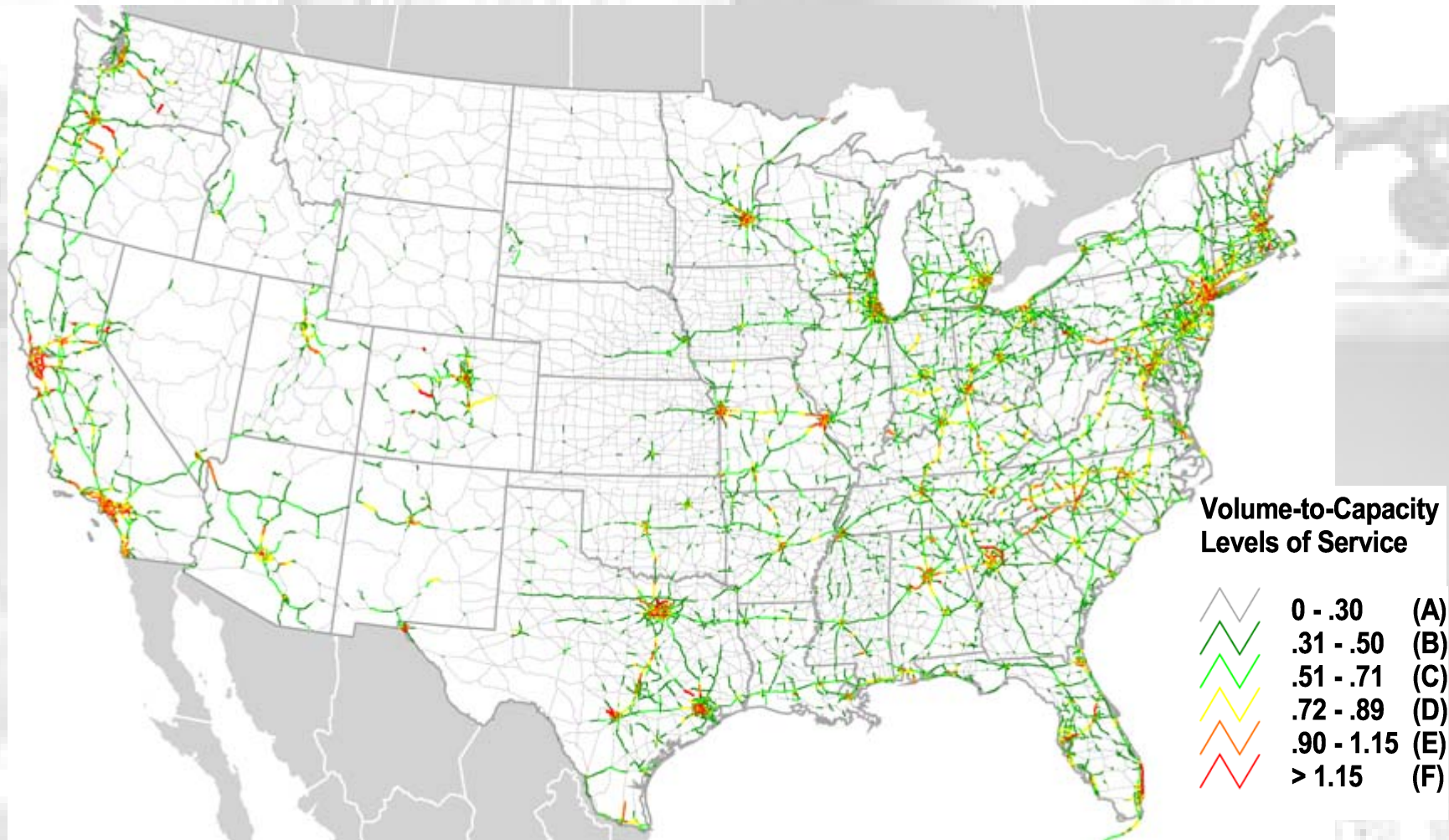
Trends and Projections, 1980 - 2020





# Congested Highways, 2000

Congestion disrupts truck-freight service by making trips slower, less reliable, and more expensive

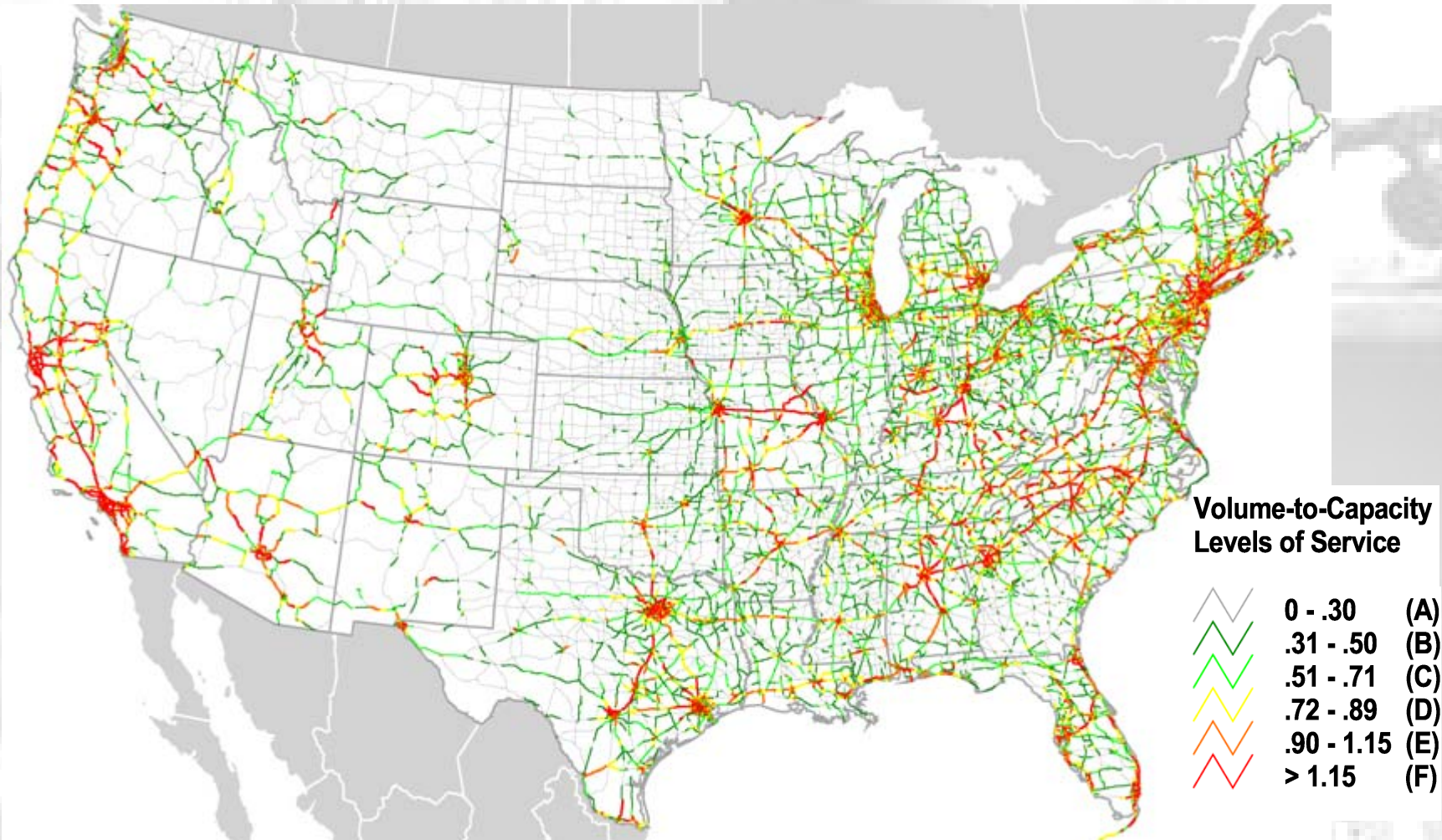


Source: U.S. DOT Freight Analysis Framework Project



# Potential Congested Highways, 2020

Without additional capacity or improved productivity, logistics costs will rise



Source: U.S. DOT Freight Analysis Framework Project





# Rail Investment Impacts on Highways

- \$2.6 Billion - Annual Public Investment Needed for Rail
- If not met, 31 billion truck VMT shift to highways
- \$21 Billion – Increased cost to Highways



# Maritime Industry Challenges

- By 2020 - Container traffic to double or triple
- Security from threat of terrorism
- Dredging, landside access, modern facilities
- **State role: connectors and corridors**



# Surface Transportation Needs (Capital Costs)

## 2003 Funding Level

## Cost to Improve

• Highways	\$70 Billion	\$125 Billion
• Transit	\$14 Billion	\$44 Billion
• Rail	\$ 5 Billion	\$ 10 + Billion *

( \* \$2.6 Billion Public Funding)

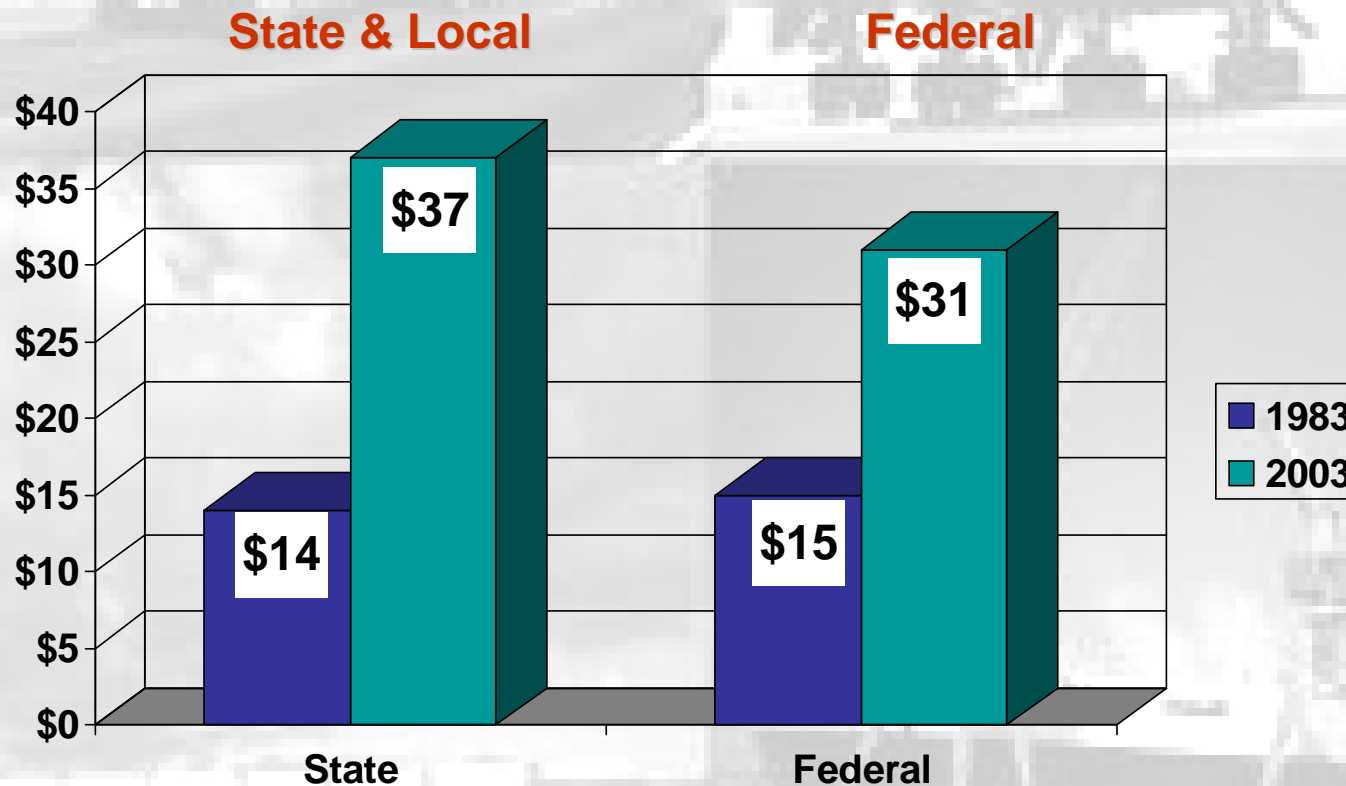


# 2003 Highway

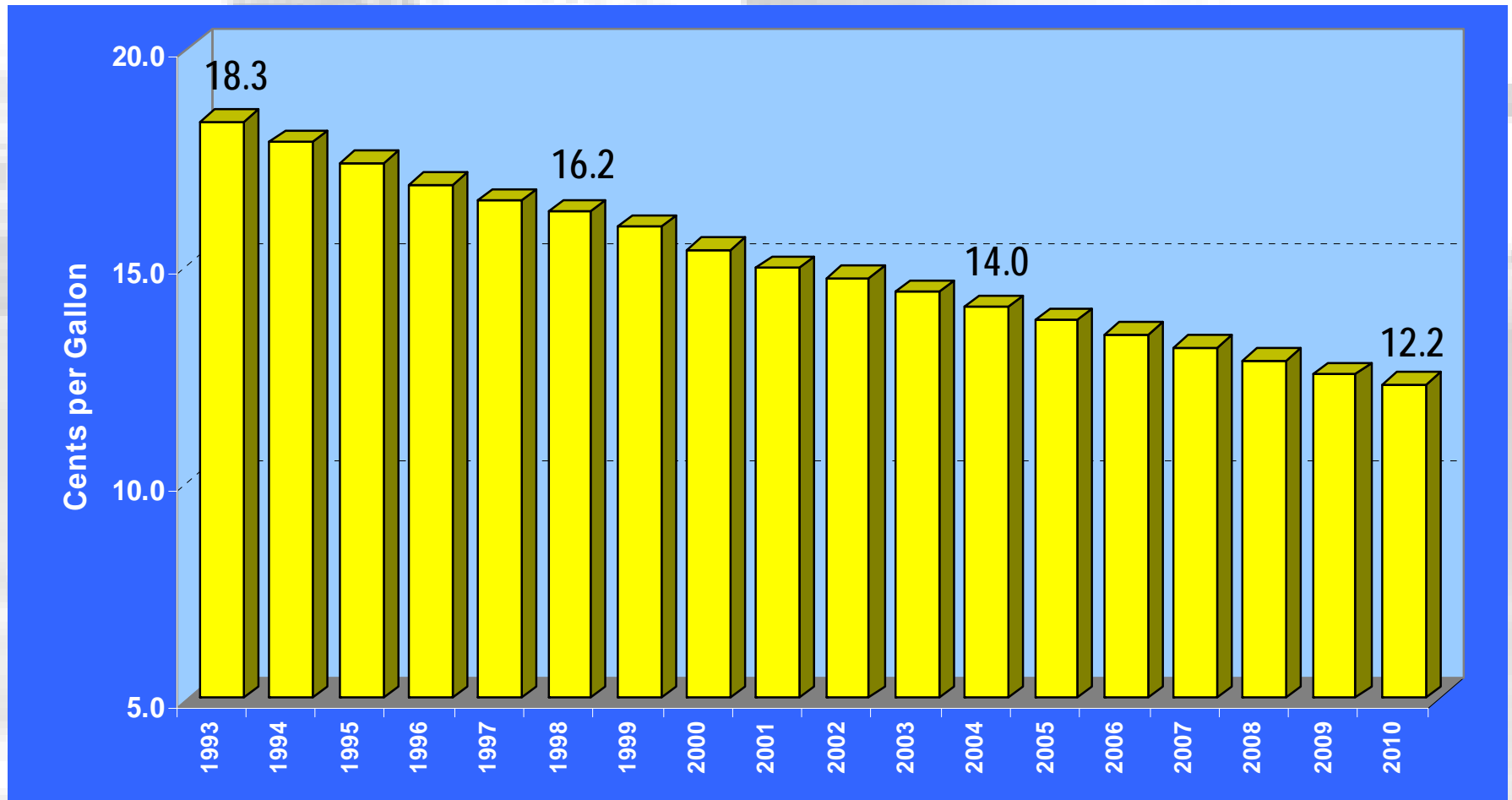
Capital Investments = \$70 Billion

State and Local -55%    Federal -45%

20 Year Growth 1982-2002



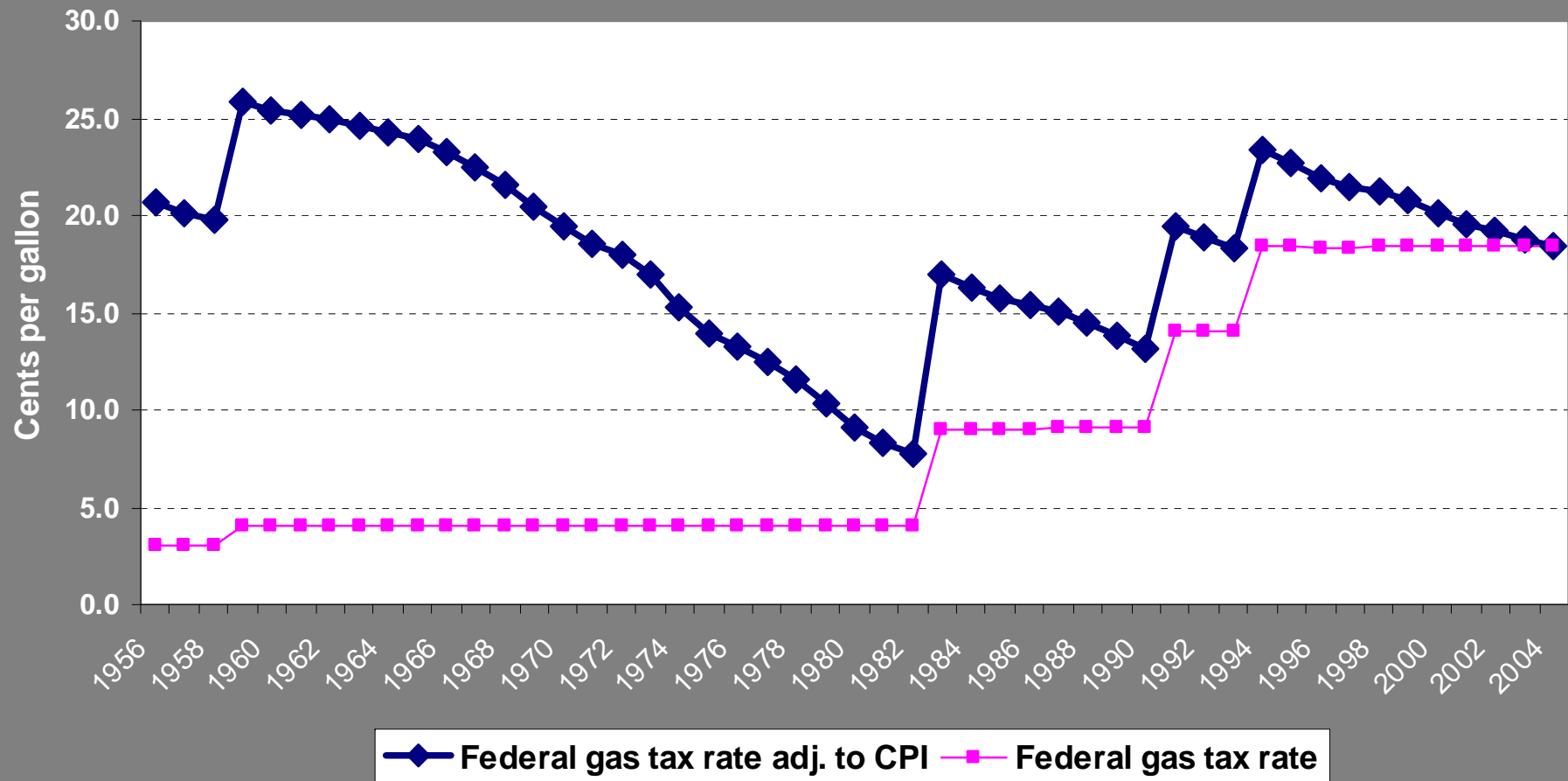
# Highway Trust Fund Problems: *Sustaining Purchasing Power*



Courtesy of William R. Buechner  
Vice President, Economics and Research  
American Road & Transportation Builders Association

# Gas Tax History

## *Federal Gasoline Tax Rate in Real 2004 Dollars*







# **AASHTO**

## **National Freight Transportation Infrastructure Corporation**

- 52 companies
- 250 thousand employees
- 750 thousand miles of road
- Critical links to rail, water, air
- \$80 billion annual spending
- Trillions in assets
- Hosts most freight



# FREIGHT-LU

# **FREIGHT-LU**

## **Freight transportation Organization Development**

- **Planning—Freight Planning Capacity Building--\$875th. Annually**
- **Research—National Cooperative Freight Research Program--\$3.75m. annually**

# **FREIGHT-LU**

## **Freight Transportation Programs**

- Coordinated Border Infrastructure Program--\$833m. 5 years, formula
- National Corridor Infrastructure Improvement Program--\$1.95b. 5 years, entirely earmarked
- Capital Grants for Rail Relocation--\$350m. Annually—general fund authorization
- Rail-Highway Crossings--\$220m. annually

# FREIGHT-LU

## Freight Transportation Projects

- Projects of National and Regional Significance-- \$1.8b. , 25 projects
- High Priority Projects--\$14.9b. , 5,173 projects
- Transportation Improvements--\$ 465 projects

# **FREIGHT-LU**

## **Freight Transportation Pilots**

- Freight Intermodal Distribution Pilot Grant Program--\$30m. , five projects
- Truck Parking Facilities--\$25m.

# **FREIGHT-LU**

## **Freight Transportation Financing**

- Transportation Infrastructure Finance and Innovation Act (TIFIA)--\$2b. Lending authority yearly
- State Infrastructure Banks (SIBS)—all states eligible, rail account authorized
- Private Activity Bonds—intermodal facilities made eligible--\$15b. National limit
- Railroad Rehabilitation and Improvement Financing (RRIF--\$35b. Loan authority—defects corrected



# **FREIGHT-LU**

## **Freight Transportation Thinking**

- National Surface Transportation Policy and Revenue Study Commission
- National Surface Transportation Infrastructure Financing Authority
- Study of Rail Transportation and Regulation
- Motor Carrier Efficiency Study
- Community Enhancement Study
- National Intermodal System Improvement Plan





# **FREIGHT-LU**

## **Legislative Casualties**

- Intermodal Connectors
- State Freight Coordinators
- Freight Transportation Gateways
- Dedicated Truck Lanes

The background is a collage of four grayscale images. The top-left image shows a large cargo ship at sea. The top-right image shows the tail and wing of a large commercial airplane. The bottom-left image shows a steam locomotive pulling a train. The bottom-right image shows a port crane loading or unloading a ship. The text "States and Freight" is centered over the collage.

# States and Freight

# State Freight Initiatives

- **Organize**
- **Plan**
- **Coordinate**
- **Collaborate**
- **Invest**



# Organize

The background of the slide is a grayscale image. The upper half features a large cargo ship at sea, with its complex superstructure and multiple masts visible. The lower half shows a large cargo aircraft on a tarmac, with its distinctive high-wing configuration and multiple cargo doors clearly visible. The overall image is faded to serve as a backdrop for the text.

- **California-- Office of Goods Movement**
- **Maine—Office of Freight Transportation**
- **Maryland—Office of Freight Management & Operations**
- **Minnesota—Office of Freight, Railroads, and Waterways**
- **Oregon—Intermodal Freight**
- **Pennsylvania—Bureau of Rail Freight, Ports, and Waterways**
- **Washington—Office of Freight Strategy and Policy**

# Plan

- Minnesota
- Washington
- Oregon
- Louisiana





# **Coordinate**

- **Colorado Statewide Freight Advisory Council**
- **Oregon Freight Advisory Committee**
- **Minnesota Freight Advisory Committee (MFAC)**
- **Mississippi Intermodal Council**

# Collaborate



- 1-5

- I-95

- I-81

- I-10

- LATTs

# **Invest**



- **Shelpot Bridge**
- **Kansas City Flyovers**
- **CREATE**
- **MAROPS**
- **FAST**



# **Questions (for you)**

- **How can states find out what shippers and carriers need?**
- **Can the public sector and private sector forecast and plan together?**
- **Will the private sector support investment in public infrastructure?**

# AASHTO

**AASHTO Main Page:**

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

**AASHTO Freight Transportation Network**

[www.freight.transportation.org](http://www.freight.transportation.org)

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