



#### ISSUE

The National Association of Regional Councils (NARC) supports additional funding directed to the maintenance and improvement of freight infrastructure through the exploration of establishing a dedicated funding source in the next surface transportation authorization.

#### RECOMMENDATIONS

##### PARTNERSHIPS

- Support the federal government partnership with local governments and regions to resolve critical workforce issues.
- Engage directly with local elected officials, who understand the local needs, opportunities, and obligations through their “on-the-ground” perspective.
- Encourage partnerships between federal, state, regional and local government, as well as public and private industry and business entities.

##### FUNDING

- Allow federal funds to leverage the monies of others (federal, state, private and local), especially for freight projects with impact beyond regional borders.
- Explore the benefits of adopting a “Freight Account” in the Highway Trust Fund, similar to the Public Transit Account, to ensure that there will be a consistent, dedicated stream of funding invested in freight infrastructure.
- Distribute funding on a multi- and intermodal freight system-wide basis without preference to any individual mode of transportation.
- Provide incentives to the private sector and other governments to improve freight infrastructure.
- Support creative financing provisions and direct federal investment for freight infrastructure.

##### PROGRAM

- Acknowledge freight mobility needs as a high priority in federal, state and local transportation planning
- Include freight infrastructure in the earliest proceedings on SAFETEA-LU reauthorization.
- Establish national proactive transportation policies that efficiently move goods to improve regional, state and local economies.
- Enhance security through adequate freight infrastructure protection, a direct function of national security.
- Recognize that facility protection is assisted through electronic systems, design specifications, and other non-human interactions.

#### BACKGROUND

Freight transportation is the backbone of America’s commerce. Imports and exports, which fuel our economy, are doubling every ten years. Freight traffic within the United States’ borders will increase 100% by 2020. During that same period of time, foreign trade is expected to increase by 187 percent, while containerized cargo will experience an explosive 350 percent increase. Trade as a percentage of the U.S. GDP has been steadily increasing during the past quarter century, rising from just over 12% in the early 1970s to approximately 25% in the mid-1990s. Today, it is over 25% and it is expected to grow to 37% in 2015 and 60% by 2030. Rapidly accelerating trade combined with domestic growth has created a \$10 trillion U.S. commodity flow that produces millions of jobs and a higher standard of living.

The domestic and international freight capacity of our ports, waterways, transfer facilities, and highway and rail connectors will greatly determine whether we maintain our international edge in the global marketplace and the quality of our economic life. Failure of trade gateway infrastructure to keep pace with growth in demand will increase costs and hold back expansion and prosperity in coming years. There is a clear correlation and necessary relationship between goods movement, business, economy, our local environment, our global and environment public health. Transportation investments have historically been among society’s most important contributors to environmental improvement. Simply put, the more efficient and improved goods movement system creates an improved environment with greater public health benefits.