

Alliance of the Ports of Canada, the Caribbean, Latin America and the United States



March 29, 2018

The Honorable Susan Collins
Chairwoman
Senate Committee on Appropriations
Subcommittee on Transportation, Housing, and
Urban Development, and Related Agencies
SD-184 Dirksen Senate Office Building
Washington, DC 20510
c/o Heideh Shahmoradi

The Honorable Jack Reed
Ranking Member
Senate Committee on Appropriations
Subcommittee on Transportation, Housing, and
Urban Development, and Related Agencies
SH-125 Hart Senate Office Building
Washington, DC 20510
c/o Dabney Hegg

The Honorable Mario Díaz-Balart
Chairman
House Committee on Appropriations
Subcommittee on Transportation, Housing, and
Urban Development, and Related Agencies
2358-A Rayburn House Office Building
Washington, DC 20515
c/o Doug Disrud

The Honorable David Price
Ranking Member
House Committee on Appropriations
Subcommittee on Transportation, Housing, and
Urban Development, and Related Agencies
1016 Longworth House Office Building
Washington, DC 20515
c/o Joe Carlile

RE: FY 2019 Multimodal Transportation Investment Generating Economic Recovery (TIGER) Funding

Dear Chairwoman Collins, Chairman Díaz-Balart and Ranking Members Reed and Price:

The American Association of Port Authorities (AAPA) strongly recommends the continuation of a "Multimodal TIGER-style" program in the FY 2019 Transportation, Housing, and Urban Development, and Related Agencies (THUD) appropriations bill. AAPA supports the same funding level of \$1.5 billion in multimodal funding included in the FY 2018 Omnibus bill, and that a minimum of 25 percent of the funding be dedicated to port-related infrastructure needs. Additionally, given the national scope and economic reach into the country, AAPA recommends that a port project not count towards a state's 10 percent cap, as port projects typically connect metropolitan with rural economies and tend to have economic impacts beyond other local and regional projects. TIGER is a vital program that is an important tool for the port industry and supply chain partners and has broader eligibility than program funding under the FAST Act. This program is the only general federal funding source for port-related infrastructure.

TIGER continues to be a key multimodal funding source for freight projects that are vital to rebuilding our national infrastructure while addressing multimodal transportation funding challenges and needs. TIGER is 100 percent multimodal, which is a top priority for ports. Only a limited percentage of FAST Act freight funding (\$1.13 billion of \$11 billion) is multimodal, and FASTLANE grants are primarily highway focused, outside the gate projects, whereas TIGER has funded important inside the gate

projects that assist ports to be "big ship ready" for the 21st century and assists in returning existing facilities to a state of good repair.

From an investment perspective, the TIGER grant program has been a catalyst in helping to define our nation's freight network. The successes of multimodal grants for freight-related projects highlight the important role ports and intermodal projects play in improving our national freight system and leveraging private sector funding. The annual TIGER process, and its coordinated and collaborative planning requirements in the submission of eligible freight-related projects, has served as a catalyst in bringing freight stakeholders to the table—along with additional funding.

TIGER, with its multimodal eligibility, and a top <u>AAPA priority</u>, has funded 49 port-related projects, totaling \$624 million over nine rounds. However, prior to the ninth round, 49 percent of TIGER grants awarded to ports have funded rail access or on-dock rail projects. In the near future, AAPA will be releasing a rail access report that captures the full breadth of the industry's rail and multimodal needs. In this report, *State of Freight III – Rail Access and Port Multimodal Funding Needs*, AAPA port members identified more than \$20 billion in projected multimodal port and rail access needs over the next decade. In addition, 34 percent of ports have identified pressing rail project needs of more than \$50 million. So important is rail access to the port industry and supply chain that within the next ten years, 77 percent of ports are planning an on-dock, near-dock or rail access project. The TIGER program is an essential tool in addressing port multimodal freight infrastructure needs.

We believe continued funding, related to a national freight strategy and the strengthening of freight competitive grant programs, is at the heart of sustaining America's competitiveness on the international stage and strengthening of our domestic economy and rate of job growth.

We urge the Committee to continue funding for a multimodal TIGER-like program.

Sincerely,

Kurt J. Nagle President and CEO

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cc: The Honorable Thad Cochran, Chairman, Senate Appropriations Full Committee
The Honorable Patrick Leahy, Ranking Member, Senate Appropriations Full Committee
The Honorable Rodney Frelinghuysen, Chairman, House Appropriations Full Committee
The Honorable Nita Lowey, Ranking Member, House Appropriations Full Committee