## Acting Deputy Secretary Victor Mendez American Association of Port Authorities Spring Conference Washington, DC March 24, 2014

## \*\*\* Remarks As Prepared For Delivery \*\*\*

Good afternoon, everyone! It's great to be here with you today.

Over the last nine months, President Obama, Vice President Biden, Secretary Foxx, and I fanned out across the country to visit a number of America's great ports. From Baltimore and Savannah, to Houston, to LA and Long Beach.

We did this because we all recognize something.

Ports are <u>essential</u>. They're essential to our modern, multi-modal transportation system. And they're essential to our national economy.

Every business depends on safe, affordable transportation. And that includes the American companies that ship cargo worth more than \$5.5 billion through U.S. ports every day.

In fact, 75 percent of our nation's exports travel through U.S. seaports. And port activity supports more than 13 million jobs and accounts for more than \$3 trillion in business activity nationwide.

But as important as our ports are today, they'll only become more essential as we look to the future.

Studies show that, by 2050, America's freight network will need to haul 4 billion more tons of international freight than it currently does. Imagine a fleet of freighters carrying 40,000 Washington Monuments to our shores: that's about the equivalent of 4 billion tons.

So it's no surprise that President Obama and Vice President Biden have made it a priority to repair and improve America's ports.

And you can see that commitment reflected in the President's recent budget proposal.

He's called for a four-year, \$302 billion transportation bill that will help us tackle our infrastructure deficit – while improving safety and providing the stability and reliability that our partners at the state and local level need.

This includes \$658 million to support maritime transportation programs in Fiscal Year 2015 alone.

It also includes \$5 billion for four more years of our TIGER grant program.

Maritime transportation has already benefitted substantially from TIGER. Across five rounds of grants, we've directed more than \$400 million to port and marine highway projects across the country.

And with DOT now taking applications for our sixth round of TIGER, which will award \$600 million this year, I hope to see port and maritime projects wellrepresented once again.

The benefits of the President's budget proposal don't stop there.

In one of the most exciting developments, we'll invest \$10 billion over four years to help further expand and improve our freight network.

This new, multimodal grant program will include rail, highways, and ports – and it will allow us to build on the important work we're already doing under MAP-21 to make more strategic and performance-driven investments in our freight system.

DOT's Freight Policy Council and the National Freight Advisory Committee – which is actually holding its next meeting tomorrow at DOT Headquarters – are looking at our entire freight system, and how it works together.

Their insight will be essential as DOT implements MAP-21's freight provisions – including the creation of the first ever National Freight Strategic Plan.

A key component of that plan will involve how our ports can most efficiently work with our rail lines and highways.

As you can see, President Obama has put together a very good plan. It's a plan that will invest in American infrastructure where it's needed most. It will help our businesses compete in the global economy. It will set our ports up for success in the 21<sup>st</sup> century and beyond.

And in the coming months, we'll be sending a bill to Congress to turn this plan into a reality.

But our success will depend on how well we can work with our partners – particularly at the state and local level.

So please: We want to hear from you. Tell us what's working for your ports. Tell us how we can do more and be better.

And I hope you'll work with us to support President Obama's budget.

Let me close by saying, as I always do: Please join us in putting safety first. Always buckle your seat belt. Put away your cell phone when you're driving. Watch out for pedestrians and cyclists. Help us keep America's roadways safe.

Thank you again for being here today. Now, I'd be happy to take some questions.