MAP 21 Freight Provisions and Seaports

September 20, 2012
MAP-21
MOVING AHEAD FOR PROGRESS
IN THE 21st CENTURY
Transforming the way we build, maintain, and manage our Nation’s highways
Legislation | Funding Tables

Creates Jobs | Simplifies Programs | Supports Safety | Promotes Innovation | Strengthens Systems | Performance-Based

Freight Provisions Overview
Funding Programs
New Freight Eligibility in Core Highway Formula Programs

Surface Transportation Program (STP)

- MAP-21 continues the STP, providing an annual average of $10 billion in flexible funding that may be used by States and localities for projects to preserve or improve conditions and performance on any Federal-aid highway, bridge projects on any public road, facilities for nonmotorized transportation, transit capital projects and public bus terminals and facilities.

- NEW ELIGIBILITY: Surface transportation infrastructure located within a port terminal that facilitate direct intermodal interchange, transfer, and access into and out of the port.

- 50% of STP funds are sub-allocated by population to Urbanized Areas with more than 200,000 people (MPOs)
TIFIA

- Larger (and modified) role for TIFIA program
  - >700% growth in TIFIA ($1B in FY14 vs. $122M in FY11)

- TIFIA eligibility changes for freight-related projects:
  - Project for a public freight rail facility or a private facility providing public benefit for highway users by way of direct freight interchange between highway and rail carriers
  - Projects composed of related highway, surface transportation, transit, rail, or intermodal capital improvement projects eligible for assistance under this section in order to meet the eligible project cost threshold under Section 602, by grouping related projects together for that purpose, subject to the condition that the credit assistance for the projects is secured by a common pledge
  - Maintains: Surface transportation infrastructure located within a port terminal that facilitate direct intermodal interchange, transfer, and access into and out of the port.
Prioritization of Projects to Improve Freight Movement

- Notwithstanding U.S. Code Section 120, Title 23, U.S. DOT may increase the federal share for interstate highway projects up to 95% and other transportation projects up to 90% (Section 1116)

- To be eligible, U.S. DOT must certify the project meets the following requirements:
  - Enhances the efficient movement of freight, including making progress toward meeting performance targets for freight movement established in U.S. Code Title 23, Section 150 (d)
  - Is identified in a state freight plan (see Section 1118)
Projects of National and Regional Significance (PNRS)

BACKGROUND:

- SAFETEA-LU Section 1301 established PNRS as a program to fund critical, national or regional freight or passenger transportation needs

- Eligible Projects
  - Any transportation project (including multimodal/rail) that is Title 23 eligible (allowing maximum flexibility)
  - Project can include an individual project or a group of projects that are integrated in function such as along a corridor (strong interest in seeing projects linked together along a corridor)
Projects of National and Regional Significance

- Various modifications made on the eligibility, implementation, and reporting requirements

- Eligible applicants broadened to include tribal government(s), transit agencies and multi-state or multi-jurisdictional

- Minimum project size reduced to $500m or 50% of a State’s apportionment for a year

- A total of $500 million has been authorized to be appropriated for projects of national or regional significance in FY 2013
Projects of National and Regional Significance

- Requires a Report to Congress to identify projects of national and regional significance that includes:
  - A comprehensive list of each project of national or regional significance that:
    - Has been compiled through a survey of state departments of transportation
    - Has been classified by the U.S. DOT as a project of national or regional significance in accordance with Section 1120 of MAP-21
  - An analysis of the information collected, including discussion of the factors supporting each classification of a project as a project of national or regional significance
  - Recommendations on financing for all eligible project costs
Policy, Planning and Performance
Creation of National Freight Policy

- Policy (Section 1115) focuses on improving condition and performance of the national freight network to provide foundation for the U.S. to compete in the global economy

- Sets goals related to:
  - Infrastructure improvements
  - Operational improvements
  - Safety, security, and system resiliency improvements
  - Improving state of good repair
  - Increasing use of advanced technology to improve safety and efficiency
  - Incorporating concepts of performance, innovation, competition, and accountability into the operation and maintenance of the national freight network
  - Improving economic efficiency
  - Reducing environmental impacts of freight movement
National Freight Policy Elements

- National Freight Policy elements include requirements to:
  - Establish a National Freight Network
  - Create a national freight strategic plan
  - Create a freight conditions and performance report
  - Create new or refine existing transportation investment and data planning tools to evaluate freight-related and non-freight related projects
National Freight Network

- Creates and defines a national freight network, which consists of:
  - Primary freight network, as designated by the U.S. DOT, that is most critical to the movement of freight
  - Portions of Interstate System not designated as part of the primary freight network
  - Critical rural freight corridors designated by the states
National Freight Network – Primary Freight Network

- Includes language requiring designation of a primary freight network
  - Network classified via inventory of national freight volumes by FHWA in consultation with stakeholders (states, transport providers, system users)
  - Network comprised initially of no more than 27,000 centerline miles of existing roadways
  - DOT Secretary can add up to 3,000 additional centerline miles of existing or planned roads in the future
  - Primary freight network needs to be redesignated every ten years
National Freight Network – Primary Freight Network

Factors the U.S. DOT will use in determining inclusion on the primary freight network include:

- Origins and destinations of freight movement in the United States
- Total freight tonnage and the value of freight moved by highways
- Percentage of average annual daily truck traffic in the annual average daily traffic on principal arterials
- Annual average daily truck traffic on principal arterials
- Land and maritime ports of entry
- Access to energy exploration, development, installation, or production areas
- Population centers
- Network connectivity
National Freight Network – Critical Rural Freight Corridors

- State designates critical rural freight corridors – must meet one of three criteria
  - Is a rural principal arterial that has a minimum of 25% of total AADT is trucks
  - Provides access to energy exploration, development, installation, or production
  - Connects the primary freight network, a roadway meeting either of the above criteria, or Interstate System corridor to facilities that annually handle more than:
    - 50,000 twenty-foot equivalent (TEU) units
    - 500,000 tons of bulk commodities
National Highway System Changes

- Definition of the National Highway System (Section 1104) is modified to include:
  - Urban and rural principal arterial routes and border crossings on those routes, that were not included in the NHS prior to the date of MAP-21’s enactment
  - Other connector highways, including toll facilities, that provide motor vehicle access between arterial routes on the National Highway System and major intermodal transportation facilities, if they were not included in the NHS prior to the date of MAP-21’s enactment
National Freight Strategic Plan

- U.S. DOT is required to develop a national freight strategic plan within three years of MAP-21 adoption (by 10/1/15)

- Plan to be developed in consultation with state Departments of Transportation and other public and private transportation stakeholders

- National freight strategic plan needs to be updated every five years
National Freight Strategic Plan Elements

- Assessment of condition and performance of the national freight network
- Quantitative identification of highway bottlenecks on the national freight network that create significant freight congestion problems
- 20-year future freight volume forecasts from the time the plan is issued
- Identification of major trade gateways and national freight corridors that connect major population centers, trade gateways, and other major freight generators
- Assessment of the various barriers to improving freight transportation performance
- Identification of routes providing access to energy exploration, development, installation, or production locations
- Best practices for improving the performance of the national freight network
- Best practices to mitigate the impacts of freight movement on communities
- Process for addressing multi-state projects and encouraging jurisdictions to collaborate
- Strategies to improve freight intermodal connectivity
Freight Conditions and Performance Report

- U.S. DOT is required to prepare a report that describes the conditions and performance of the national freight network within two years of MAP-21 adoption (by 10/1/14)

- After the initial report is prepared, the freight conditions and performance report must be updated on an every two year basis
Transportation Investment Data and Planning Tools

- Develop new tools and/or improve existing tools to support an outcome-oriented, performance-based approach to evaluate proposed freight-related and non-freight related transportation projects, including:
  - Methodologies for systematic analysis of benefits and costs
  - Tools for ensuring that the evaluation of freight-related and other transportation projects could consider safety, economic competitiveness, environmental sustainability, and system condition in the project selection process
  - Other elements to assist in effective transportation planning
- Identify transportation-related model data elements that support a broad range of evaluation methods and techniques to assist in making transportation investment decisions
- Consider any improvements to existing freight flow data collection efforts that could reduce identified freight data gaps and deficiencies and help improve forecasts of freight transportation demand
State Freight Advisory Committees

- U.S. DOT shall encourage each state to establish a freight advisory committee (Section 1117)
- Committee shall consist of public and private sector stakeholders, including representatives from the state DOT, local governments, freight carriers, shippers, ports, freight industry workforce and freight-related associations
- Roles of the state freight advisory committee must include:
  - Advising state on freight-related priorities, issues, projects, and funding needs
  - Serving as a forum for state transportation decisions impacting freight mobility
  - Communicate and coordinate regional priorities with other organizations
  - Promote information sharing between the public and private sectors on freight issues
  - Participate in the development of a state freight plan
State Freight Plans

- U.S. DOT shall encourage each state to develop a comprehensive state freight plan (Section 1118).

- The plan can be developed independently of or incorporated into the statewide strategic long-range transportation plan required by Section 135 of title 23, U.S. Code.

- A State Freight Plan is required to be considered for the higher federal share under Section 1116.
State Freight Plans Required Elements

- Identification of significant freight system trends, needs, and issues with respect to the state
- Description of the freight policies, strategies, and performance measures that will guide freight-related transportation investment decisions in the state
- Description of how the plan will improve the ability of the state to meet the national freight goals established under Section 167 of title 23, U.S. Code
- Evidence of consideration of innovative technologies and operational strategies, including Intelligent Transportation Systems, that improve the safety and efficiency of freight movement
- For routes on which heavy vehicle travel may substantially deteriorate roadway conditions, a description of the improvements that will reduce or impede the deterioration
- An inventory of facilities with freight mobility issues and a description of the strategies the state is employing to address those freight mobility issues
National Goals and Performance Management Measures

- Section 150 of title 23, U.S. Code is amended to include freight movement and economic vitality as one of the national goals (Section 1203)
- U.S. DOT will establish performance measures for states to use to assess freight movement on the interstate system
- States establish performance targets 1 year after USDOT establishes measures
- MPOs establish performance targets 180 days after State sets targets
National Goals and Performance Management Measures

- State Report on Performance Targets – required initially within 4 yrs and at a 2 yr frequency thereafter. Must report on progress towards the achievement of all targets set under section 150.

- The report is required to include information discussing how the state is addressing congestion at freight bottlenecks within its jurisdiction, including bottlenecks identified in the National Freight Strategic Plan.
Research
Research and Technology Development and Deployment

- U.S. DOT is required to carry out research that addresses various freight transportation goals (Section 52003)

- Specific goals directly or indirectly related to freight transportation include:
  - Addressing congestion problems
  - Reducing the costs of congestion
  - Improving freight movement
  - Increasing productivity
  - Improving the economic competitiveness of the United States

- The Transportation Research Board’s National Cooperative Freight Research Program (NCFRP) has been eliminated (Section 52008)
Implementation
Multimodal Effort

- In order to carry out the requirements created by MAP-21, U.S. DOT has created a high-level, multimodal Freight Policy Council to coordinate and oversee Departmental freight efforts.

- The Council will be supported by a multimodal staff team chaired by the Office of the Secretary.

- The Implementation effort will necessarily include the input of many public and private sector stakeholders, so stay involved!
Next Steps

- **Communication**
  - Webpage
  - Fact Sheets and Q&A
  - Outreach
    - [http://www.freightdialogue.ideascale.com](http://www.freightdialogue.ideascale.com)

- **Implementation**
  - October 1 “phase in”
  - Follow on guidance and regulation

  - Email: Freight@dot.gov