

November 8, 2023

The Honorable Sam Graves
Chair
Committee on Transportation and Infrastructure
U.S. House of Representatives
Washington, DC, 20515

The Honorable Rick Larsen
Ranking Member
Committee on Transportation and Infrastructure
U.S. House of Representatives
Washington, DC, 20515

Re: Support for H.R. 4993

Dear Chair Graves and Ranking Member Larsen:

On behalf of the Intermodal Association of North America (IANA), the leading transportation trade association representing the combined interests of the intermodal freight industry, I am writing to express our support for H.R. 4993, which would expand eligibility under the Maritime Administration's Capital Construction Fund to include cargo handling equipment. We hope you will support this bipartisan legislation as it advances through your committee.

IANA represents more than 1,000 corporate members, including railroads, ocean carriers, ports, marine terminal operators, intermodal truckers and over-the-road highway carriers, intermodal marketing and logistic companies, and suppliers to the industry. IANA's associate (non-voting) members include shippers (defined as the beneficial owners of the freight to be shipped), academic institutions, government entities, and non-profit trade associations.

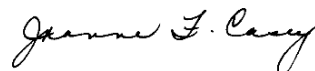
Globally, 95 percent of all manufactured goods are transported in a container at one point in their journey, generating over \$59 billion in intermodal revenues annually in the North American market. Marine terminal operators (MTOs) are vital links in the intermodal supply chain responsible for the physical and clerical work needed to receive, deliver, stage, store, control, and account for the freight in their custody, and interchange marine containers between vessels and trucks.

The majority of handling equipment, unless utilized at state operating ports, within U.S. ports, is purchased, maintained, and operated by private MTOs. MTOs make significant investments to ensure the safe, efficient, and secure movement of goods. These costs are only expected to grow as the industry transitions from diesel to near-zero or zero emission electric cargo handling equipment, which will require tens of billions of dollars in private capital.

While the Bipartisan Infrastructure Law and Inflation Reduction Act provide many essential resources for port infrastructure and equipment improvements, eligibility is often limited to public port authorities and state, local, or tribal entities. The legislation introduced by Congressman Ezell (R-MS) and Congressman Carter (D-LA) would address this gap by allowing MTOs to deposit operational income and income derived from the sale of existing cargo handling equipment into a tax-deferred Capital Construction Fund. Funds may be withdrawn on a tax-deferred basis only for the purchase or construction of new cargo handling equipment, which would incentivize private sector investment, enhance domestic manufacturing, promote environmental sustainability, and support job creation.

IANA applauds your leadership and encourages your support for this important legislation. Please let me know if you or your staff would like to discuss our position in further detail.

Sincerely,



Joanne F. Casey
President and CEO
Intermodal Association of North America