

August 2, 2021

Dear Senator Schumer and Senator McConnell:

Thank you for your continued leadership and support in developing vital transportation infrastructure funding legislation. On behalf of the Intermodal Association of North America (IANA), I am writing to share our perspectives on how substantial, targeted investments in multimodal freight infrastructure will advance our shared goals of improved freight system performance and sustained economic prosperity.

IANA is the only transportation trade association that represents the combined interests of intermodal freight providers and customers. IANA represents more than 1,000 corporate members, including railroads, ocean carriers, ports, intermodal truckers and over-the-road highway carriers, intermodal marketing and logistic companies, and suppliers to the industry.

As economic recovery from COVID-19 impacts remains a top national priority, the pandemic demonstrated the critical importance of efficient freight supply chains to transport and distribute essential goods. Based on data provided by the U.S. Bureau of Labor Statistics, the trade, transportation, and utilities industries have added 3 million jobs since April 2020. Freight networks struggled to fulfill increased demands during stay-at-home orders and adapt to new consumer, business, and trade supply chain needs; many of which are likely to persist well beyond the pandemic. According to the International Transport Forum's "Transport Outlook 2021" report, "Total transport activity will more than double by 2050 compared to 2015 under the trajectory reflecting current efforts. Passenger transport will increase 2.3-fold. Freight transport will grow 2.6-fold." This confirms that significant investments in federal transportation infrastructure is necessary to ensure this rapid economic growth is addressed and sustainable for years to come.

The forthcoming infrastructure legislation stands to provide the strategic funding opportunities necessary to prepare our transportation system's ability to address these current and future economic demands. As you work to advance this investment proposal, we urge you to include the following provisions in order to improve the nation's multimodal supply chain infrastructure. These priorities were developed in collaboration with freight transportation practitioners and policy experts across the United States.

1. Continuation of the INFRA grant program – with a minimum investment of \$12 billion annually – is essential to support national freight needs

IANA appreciates Congress' commitment to significantly increasing overall investment in transportation infrastructure and requests a meaningful portion of new funding be provided for freight infrastructure. The Nationally Significant Freight and Highway Projects Program (INFRA) has been a valuable funding source for critical freight projects. This unique, freight-focused program provides much-needed resources for large, multijurisdictional, and multistate projects, which are often difficult to fund through traditional federal programs. We urge you to provide continued, long-term authorizations for the INFRA grant program to address current and future freight demand. Each year, the INFRA program is oversubscribed by billions of dollars, further exemplifying its popularity and necessity in facilitating freight investment. Based on these demonstrated needs, IANA calls for a minimum annual investment of \$12 billion for

NFRA. Should the next reauthorization legislation establish a Projects of National and Regional Significance (PNRS) program in addition to sustained INFRA funding, we recommend the PNRS program incorporate a strong freight component, including merit criteria that require evaluating the degree to which projects positively contribute to, or mitigate the impacts of, nationally and regionally significant goods movement.

2. At least \$2.52 billion annually is needed in freight formula funding distributed to states

As existing federal freight programs have been oversubscribed for many years, additional funding is needed to support our ever-growing multimodal freight system. Every state has individual freight needs, which often vary in project size. The National Highway Freight Program (freight formula program) provides an important tool for states to invest in projects that often are not as large and complex as those suitable for national discretionary grant programs. Alongside robust grant program funding, IANA recommends at least \$2.52 billion annually be provided for the freight formula program to support statewide freight investment.

3. Federal freight programs must be fully multimodal

Freight does not move on highways alone – where public benefit is derived, public investment must be made. It is often in places where various modes come together that additional Federal assistance is needed to close existing funding and freight-related infrastructure gaps to correct capacity inefficiencies and bottlenecks. Freight investment decisions should reflect freight system needs and direct funding toward projects providing the most direct benefit to freight and goods transportation, regardless of mode. Therefore, IANA requests elimination of the caps on any spending directly related to freight projects under current freight programs, such as the INFRA program and the freight formula program. Similarly, we recommend any new discretionary programs provide full eligibility for multimodal freight projects.

In addition to the provisions detailed above, IANA expresses its support for the following elements to be included in the upcoming infrastructure package: a joint task force to study a fee on multimodal freight surface transportation services as an incremental funding source for freight infrastructure; designation of a final National Multimodal Freight Network; establishment of an Office of Multimodal Freight Infrastructure and Policy within the Department of Transportation; truck parking enhancements; the Port Infrastructure Development Program; and a new grade crossing separation grant program. IANA emphasizes its support for increased investment in designated Interstate and U.S. highway bridges that improve freight efficiency. To improve freight research and planning efforts, IANA recommends funds within the National Cooperative Freight Transportation Research Program be dedicated to the collection and distribution of more timely and accurate data on freight and goods movement. Additionally, we encourage increased emphasis on industry participation within State Freight Advisory Committees by freight users and system providers, with the goal of developing quantifiable and pragmatic solutions to challenges facing the front line users.

Thank you for your time and consideration. Our group looks forward to working together with you as this legislation advances.

Sincerely,



Dr. Noel Hacegaba
Chairman, Intermodal Association of North America
Deputy Executive Director, Port of Long Beach

Cc: Joni Casey, President and CEO, IANA