

# Freight Provisions in SAFETEA-LU

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## Projects of National and Regional Significance (1301)



- Secretary to establish competitive grant application and selection criteria in regulations. NPRM reopened on 12/28/06 – will be open till February 9, 2007.
- \$1.779 billion over 5 years (2005-2009) for 25 designated projects – fully earmarked.
- Guidance:  
[http://ops.fhwa.dot.gov/freight/safetea\\_lu/](http://ops.fhwa.dot.gov/freight/safetea_lu/)
- Receiving/funding projects as they come in – Annual Report to Congress due 2/6/07.

## *National Corridor Infrastructure Improvement Program (1302)*



- Secretary to establish a program for receiving grant applications and establish criteria for selection. In process.
- \$1.948 billion over 5 years (2005-2009) for 33 designated projects – fully earmarked.
- Guidance:  
[http://ops.fhwa.dot.gov/freight/safetea\\_lu/](http://ops.fhwa.dot.gov/freight/safetea_lu/)
- Receiving/funding projects as they come in.

## *Freight Intermodal Distribution Pilot Grant Program (1306)*



- Secretary to establish a program for receiving grant applications and establish criteria for selection. In process.
- \$30 million over 5 years (2005-2009) for 6 designated projects – fully earmarked.
- Guidance:  
[http://ops.fhwa.dot.gov/freight/safetea\\_lu/](http://ops.fhwa.dot.gov/freight/safetea_lu/)
- Report on Program due to Congress 8/10/08



## *Truck Parking Facilities (1305)*

- Pilot program to address the shortage of truck parking on NHS - Fed Reg Notice under review
- Project applications to be submitted to DOT from States and approved by the Secretary.
  - ✧ Fed Register Notice on program issued 8/28/06
  - ✧ Grant applications due to Division Offices 11/27/06
  - ✧ Grant applications due to FHWA HQ 1/10/07
  - ✧ Anticipated award window – Spring/summer '07
- Includes construction of new facilities, modifying existing facilities, ITS
- \$25 million over 4 years (2006-2009)
- Report on Program due to Congress 8/10/08

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## *Freight Planning and Capacity Building Program (5204(h))*

- Initiative to support enhancements to freight planning to better target investment and strengthen decision-making capacity of State and local agencies
- Eligible activities include research, training and education in best practices, peer exchange, data and analysis, agency reorganization, public-private relationship building
- \$3.5 million over 4 years (2006-2009)

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## *National Cooperative Freight Transportation Research Program (5209)*



- National research program to be established by Secretary in partnership with National Academy of Sciences (NAS).
- To be governed by an Advisory Committee selected by the NAS which will recommend a national research agenda, solicit and review research proposals, award contracts, and disseminate findings
- \$15 million over 4 years (2006-2009)
- First meeting held 12/14-15/07 and initial research agenda scoped. Anticipate RFP's in next six months.

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## *Transportation Infrastructure Finance and Innovation Act (TIFIA) (1601)*



- Program project eligibility expanded to include public freight rail facilities or private (freight rail) facilities providing public benefit to highway users; intermodal freight transfer facilities; and access to any of the facilities listed above.
- Minimum project size reduced to \$50M (from \$100M)
  - ✦ Allows grouping of smaller related projects "with the common objective of improving the flow of goods"
- ITS project minimum reduced to \$15M (from \$30M)
- Budget authority - \$610 million over 5 years (2005-2009)
- Lending authority cap a function of budget authority ~ \$2B/yr

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## Private Activity Bonds (11-1143)

- Amended IRS statutes to add Tax-exempt financing of privately owned or operated highway projects and rail-truck transfer facilities.
- Added a new qualifying entity “qualified highway or surface freight transfer facility.”
  - ✦ Surface transportation projects *receiving* Federal assistance under Title 23
  - ✦ Any facility for the transfer of freight from truck to rail (or vice versa) *receiving* Federal assistance under Title 23 or 49.
- National Limitation of \$15 billion.



## Rail Transportation Provisions

- Capital **Grants** for Rail Line Relocation Projects (9002)
  - ✦ For local rail line relocation and improvement projects. States only may apply.
  - ✦ Projects to result in improved vehicle traffic flow, improve quality of life and economic development
  - ✦ Establish regs to carry out program in process.
  - ✦ \$1.4 billion over 4 years (2006-2009) (currently unfunded)
- Rehabilitation and Improvement Financing (RRIF) (9003)
  - ✦ Loans or loan guarantees for projects to enhance rail service and capacity
  - ✦ Guidance posted on <http://www.fra.dot.gov/us/content/177>
  - ✦ \$35 billion loan authority

## High Priority Projects Program and Transportation Improvements



- High Priority Project Program (1701)
  - ✧ \$14.832 billion over 5 years (2005-2009)
  - ✧ 5,173 designated projects, many of which affect freight mobility
- Transportation Improvements (1934)
  - ✧ \$Millions over 5 years (2005-2009)
  - ✧ 465 designated projects, many of which affect freight mobility
  - ✧ Gateway Rural Improvement Pilot Program (1946) - Vermont pilot program "to demonstrate the benefits to a rural rail corridor of a freight transportation gateway program" \$30M (05-09)

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## Coordinated Border Infrastructure Program (1303)



- Secretary to establish a formula distribution program for Border States based on:
  - ✧ 20% by commercial truck volume
  - ✧ 30% by personal vehicle/bus volume
  - ✧ 25% by freight volume by weight
  - ✧ 25% by number of ports of entry
- Program funds may be used to construct transportation infrastructure, make operational improvements, modify regulatory procedures, and coordinate int'l operations within the border region (within 100 miles of the border)
  - ✧ Projects in Canada and Mexico are eligible for funding
  - ✧ Must directly affect border region (people and goods)
- \$833 million over 5 years (2005-2009)
- EY 06 funds distributed.

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## Commissions



- National Surface Transportation Policy and Revenue Study Commission (1909)
  - ✧ 12 members appointed by President & Congress
  - ✧ Technical Advisory Committee established by Secretary
  - ✧ Final Report to Congress due 7/1/07 (extension ?)
  - ✧ \$2.8M over 2 years ('06-'07)
- National Surface Transportation Infrastructure Financing Commission (11-1142)
  - ✧ 15 members appointed by the Secretary & Congress
  - ✧ Final Report due within 2 years of first meeting
  - ✧ To be funded out of GOE in DOT & Treasury

## Section 1909 Commissioners (12)



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| <ul style="list-style-type: none"><li>➤ <u>Secretary Peters</u>, Chair</li><li>➤ Frank Busalacchi, Wisconsin Secretary of Transportation (Pelosi)</li><li>➤ Richard Geddes, Cornell University (President)</li><li>➤ Steve Henninger, Exec. Dir. SF Metro Commission (Pelosi)</li><li>➤ Frank McArdle, Managing Dir. Gen. Contractors Assn. N.Y. (Reid)</li><li>➤ Steve Odland, CEO Office Depot (President)</li></ul> | <ul style="list-style-type: none"><li>➤ Patrick E. Quinn, US Xpress Enterprises Inc. (Frist)</li><li>➤ Maria Cino, DOT Deputy Secretary</li><li>➤ Matthew Rose, Burlington Northern Sante Fe Corp. (Hastert)</li><li>➤ Jack Schenendorf, Covington &amp; Burlington (Hastert)</li><li>➤ Tom Skancke, NV, Skancke Corp. (Reid)</li><li>➤ Paul M. Weyricjh, Free Congress Foundation (Frist)</li></ul> |
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## Studies



- Study of Rail Transportation and Regulation (9007)
  - ✧ Secretary will coordinate with TRB to study performance of the nation's RR regarding service levels, service quality and rates; projected demand for freight transportation over next 2 decades and constraints limiting the RR ability to meet that demand
  - ✧ Report to Congress due 1 year after the Secretary and the TRB enter into an arrangement of the study.
  - ✧ \$1.8 million over 2 years (2006-2007), but no appropriation.
- Motor Carrier Efficiency Study (5503)
  - ✧ FMCSA to conduct study to identify inefficiencies in the transportation of freight; evaluate wireless technologies to reduce id'd inefficiencies; and conduct, as appropriate, field tests to validate
  - ✧ Annual report to Congress on progress
  - ✧ Phase I contract for this study has been awarded.
  - ✧ \$5M over four years (2006-2009)

## Related Activities



- Transportation Planning (6001)
  - ✧ **Both MPO and State**
  - ✧ Scope of planning process / factors to consider
    - Economic vitality, especially by enabling global competitiveness, productivity & efficiency
    - Increase in mobility for people and freight
    - Enhance integration and connectivity of the transportation system for people and freight
    - Promote efficient system management and operations
  - ✧ Participation by interested parties in the planning process includes freight shippers and providers of freight transportation services
  - ✧ **MPO**
    - Operational and Management Strategies to relieve congestion & maximize safety & mobility must be in plan



## Related Activities (cont.)

- TRANSIMS (5512)
  - ✧ Expansion of this network model into, *inter alia*, economic analysis, freight movement and port studies.
- Roadability (4118)
  - ✧ Promulgate regulations establishing a program to ensure that intermodal equipment used to transport intermodal containers is safe and systematically maintained.
  - ✧ NPRM issued on 12/21/06 comment period closes 3/21/07.
- CVISN (4126)
  - ✧ Continuation of this program that seeks to improve safety and productivity of commercial motor vehicles and drivers, and reduce costs associated with commercial vehicle operations.
  - ✧ \$100M for four years (2006-2009)



## Related Activities (cont.)

- S&W Technical Amendments
  - ✧ 1309 Extension of Public Transit Vehicle Exemption from Axle Weight Restrictions
  - ✧ 4112 Nebraska Custom Harvesters Length Exemption
  - ✧ 4141 Driveaway Saddle-mount Vehicles
  - ✧ Energy Bill (756) weight exemption for carrying idle reduction equipment (400#'s)



## *Related Activities (cont.)*

- Real-Time Systems Management Information Program (1201)
  - Establish capability in all States to provide real time:
    - × Monitoring of traffic conditions
    - × Sharing of information
  - Purpose – ease congestion, improve response to severe weather, accidents, and other incidents; and enhanced security
  - Eligible for funding under NHS, STP, and CMAQ
  - Federal Register Notice on RFI expected May 2006