

Highlights of GAO-04-165, a report to the Committee on Environment and Public Works, U.S. Senate

### Why GAO Did This Study

The strong productivity gains in the U.S. economy have hinged in part on transportation networks working more efficiently. The nation's ports, which handle 95 percent of overseas freight tonnage, are a key link in this network, and efficient intermodal links between ship, rail, and highways are vital to continued productivity gains. GAO was asked to address (1) the challenges to freight mobility, (2) the limitations key stakeholders have encountered in addressing these challenges, and (3) strategies that may aid decision makers in enhancing freight mobility. GAO's work was based on a synthesis of previous studies and a review of conditions at 10 ports and surrounding areas that handle almost two-thirds of all containers moving in and out of the country.

### **What GAO Recommends**

GAO recommends that the Secretary of Transportation take steps to facilitate state and local planners' use of better methods and tools to make freight transportation investment decisions. These methods and tools include better freight-related data, consistent and sound evaluation approaches, and greater consideration of alternatives to capital construction. The Department of Transportation reviewed the draft of this report and generally agreed with the facts presented, but did not take a formal position on the recommendations.

www.gao.gov/cgi-bin/getrpt?GAO-04-165.

To view the full product, including the scope and methodology, click on the link above. For more information, contact JayEtta Hecker at (202) 512-2834 or heckerj@gao.gov.

## FREIGHT TRANSPORTATION

# **Strategies Needed to Address Planning and Financing Limitations**

### What GAO Found

The major challenges to freight mobility share a common theme—congestion. National studies point to such problems as overcrowded highways and freight-specific "chokepoints" that stifle effective intermodal transfer of cargoes. All 10 ports GAO studied faced similar congestion-related problems. For example, many of the ports are in dense urban areas, limiting the ability to expand rail yards, roadways, and other infrastructure. Increased port security measures may exacerbate congestion if new controls drastically slow the movement of goods.

Stakeholders encounter two main limitations in addressing freight mobility challenges. The first relates to the limited visibility that freight projects receive in the process for planning and prioritizing how transportation dollars should be spent. The planning process often lacks a comprehensive evaluation approach, such as a cost-benefit framework that might result in the implementation of freight improvements to better ensure that systemwide, multimodal solutions are considered and adopted where appropriate. The second relates to limitations of federal funding programs, which tend to dedicate funds to a single mode of transportation or a nonfreight purpose.

Two strategies may help address these limitations. One is to ensure that transportation planning cuts across modes and individual jurisdictions, includes coordination with freight stakeholders representing an intermodal perspective, and includes sound analytical approaches and meaningful data needed to compare the benefits of freight and passenger projects. The second is to develop a multifaceted funding approach that includes improved access of freight projects to existing funding sources and support for programs that emphasize better use of existing infrastructure. If integrated in these strategies, three principles could better assure that the freight infrastructure system provides the level of capacity and performance that makes the greatest contribution to the nation's economic well-being. These principles include promoting efficiency by embracing a "user pay" approach, establishing performance measures, and aligning incentives for planning agencies to adopt best practices.

#### Truck Congestion near the Port of New York/New Jersey



Source: Port Authority of New York and New Jersey.