

Written Testimony to the
Senate Committee on Commerce, Science, and Transportation
Subcommittee on Surface Transportation and Merchant Marine Infrastructure, Safety and Security

Hearing on "Freight Transportation in America: Options for Improving the Nation's Network"

Presented by Richard W. Roper
Director, Planning Department
On behalf of the Port Authority of New York and New Jersey
June 18, 2009

Good afternoon, Chairman Lautenberg, committee members, and staff.

I am Richard Roper, Planning Director for the Port Authority of New York and New Jersey. Mr. Chairman, on behalf of our Chairman Anthony Coscia and the entire agency, I would like to thank you for your leadership on freight issues, not only in order to ensure efficient goods movement in this country, but to make security of those goods a priority as well.

However you do it, Congress must assure that the law replacing SAFETEA-LU adds a new focus on freight. A specific freight title offers the surest option. I'll explain the need for a clear federal role, and what it means for leveraging state and local investments. Federal leadership can support innovative freight strategies, as I'll illustrate.

Regional and Multi-Modal Imperatives

Freight is at the heart of the Port Authority's mission. In 1921, New York and New Jersey created the Port Authority to improve freight movement at a regional level. We developed the region's largest port facilities, its major airports, vital river crossings and bi-state transit links.

Between 2002 and 2007 the Authority (\$1.4B) and our marine port tenants (\$1B) provided \$2.4 billion to begin channel deepening to 50 feet, to

modernize port terminals and to make major rail improvements. Access will be given major emphasis in our Port Department's current \$1.9 billion 10 year capital plan; and our Aviation Department's \$6.4 billion capital plan targets over \$1.2 billion for passenger and freight landside access.

Multi-modalism and regional cooperation are not abstract concepts for us. They are our reason for being and, I might say, at times no small challenge to sustain.

But the states' wisdom in making this partnership has served the region and nation well, with important lessons for the issue at hand. The Port Authority's mission is to support regional trade and commerce, never confined to a single mode. Its operating boundary, 25 miles around the Statue of Liberty, roughly matches our economic region, not its state borders. And we are self-financed without tax-levy funding. Through the years the agency has conceived, built and operated pioneering transportation facilities without competing for public funds from local and state governments.

A Federal Freight Role

Congress has made great strides towards more integrated surface transportation policy. ISTEA, TEA-21, and SAFETEA-LU each moved

away from mode-specific funding and planning toward emphasis on results, performance, and sustainability. The Federal Surface Transportation Policy and Planning Act of 2009, introduced by Chairman Rockefeller and yourself, Mr. Chairman, promises that the next bill surely will continue this evolution.

Many ideas are in play to integrate freight into the next stage of federal transportation policy. Here are a few that would have broad national benefits:

- Mandate development of a National Freight Transportation Plan;
- Expand federal support for freight investment by all levels of government and business partners, adding resources to baseline levels of support already in place;
- Encourage multi-state and multi-modal corridor planning initiatives like those of the I-95 Corridor Coalition;
- Authorize a comprehensive national freight data collection program, crucial for choosing cost-effective freight investment and measuring performance; and

- Support development and demonstration of new technologies to enhance safety, enforcement of weight limits, and freight-focused ITS applications.

The imperatives for moving people and goods are deeply entwined.

Chokepoints, for example, where shared tracks require freight trains to wait for commuter trains (Lehigh line outside of Newark, New Jersey), low highway overpasses prevent trains from stacking intermodal containers (National Docks line in Jersey City, New Jersey), and trucks are forced to share limited roadways with local auto traffic (Van Wyck Expressway, approaching Kennedy Airport in New York), all impede shippers' ability to provide reliable service. And, in turn, plans that neglect vital freight flows needlessly worsen conflicts on roads and rails.

SAFETEA-LU addresses the nation's truck-carrying highways. However, by one estimate only two percent of SAFETEA-LU funds are targeted to freight improvements. Federal oversight guides marine, air and rail operations, but with too little heed to their links with the surface network.

Defining freight transportation strategies and performance goals at the federal level promises two major benefits: First, to align policies and

investments across government and industry; second, to spur freight innovations best framed at a national level.

Aligning National Strategies with Local Initiatives

Like many states and regions, we are making major investments that enhance freight flows in our gateway region. But getting the full benefit for the nation depends heavily on whether those upgrades are leveraged up and down the line in the Northeast and beyond.

For example, the Port Authority's continuing expansion of on-dock rail service at our containerports has taken five million truck trips off the highways. The rail share grows every year. However, the ultimate benefit of the Authority's \$600 million investment to provide rail service to markets outside our region, will be deeply dependent on whether inland rail routes and distant intermodal terminals are positioned to accommodate that shift to rail.

New Jersey and New York's transportation departments are straining to fund critical "last-mile" road links between our container terminals and the interstate highway system. Senator Menendez's Liberty Corridor program suggests that targeting federal attention and dollars can help D-O-Ts give a higher priority to easing these local bottlenecks. The North Avenue

Corridor Improvement Project is a multi-agency effort to improve a critical mixed-use link between the interstate highway system and New Jersey's seaport. Federal participation in the amount of \$10 million helped align local and national considerations and close a funding gap, however the Port Authority's \$159 million contribution to the project required shifting limited funds away from other local priorities.

Congressional action prompted New York to prepare a statewide rail plan that reveals the challenge of competing demand for both rail freight and passenger service. But there's no federal framework – much less enough funding – to fully address both goals. The Authority partnered with New York in providing \$25 million for projects to help bring an aging system to a state of good repair. However, a history of stovepipe investments in a predominantly commuter system has hindered freight and commuter service by a lack of support infrastructure such as shipper sidings and intermodal yards.

A thoughtful freight title and national strategy can fill the policy and knowledge gaps for planning transportation investments, improving operations, and funding effective multi-modal solutions. More total federal

financing support is needed. New help for freight should be added to baseline aid levels available to the states.

As with overall transportation financing, more flexibility makes everyone's dollars go farther, to cross modal lines, and to meld federal grants and loans with local public and private resources.

The Port Authority is about to undertake a regional plan that mirrors the intent of a freight title. In cooperation with New York and New Jersey State DOTs, the Regional Goods Movement Plan will provide the region with the vision, strategy, and project concepts required to create an effective regional goods movement network by 2035, emphasizing a multimodal approach for accommodating current and forecasted increases in freight volumes. The plan will assess the current regional freight network system, analyze emerging and long-term freight trends, describe the major obstacles to effectively move freight through the region by 2035, and, finally, provide a comprehensive strategy to meet the region's long-term freight vision and goals. This strategy will be reinforced by a set of investment, pricing, and regulatory actions set in place collectively by regional transportation providers.

Thank you again for this opportunity.