

United States Senate

WASHINGTON, DC 20510-4705

May 31, 2012

The Honorable Ray LaHood
Secretary, U.S. Department of Transportation
1200 New Jersey Ave., SE
Washington, DC 20590

Dear Secretary LaHood:

Today I'm writing about an issue of mutual interest – the efficient movement of freight and goods across our country. As you know, nationwide across all modes, freight is projected to grow by up to 27 percent from 2010 to 2040. And in my home state of Washington – gateway to the American Midwest and a critical route for U.S. exports – freight is expected to grow by up to 86 percent over the same period. But our nation's potential freight growth is hampered by bottlenecks: congestion already costs about \$200 billion a year – a number that could grow unless we take action.

Considering this projected growth and the associated job and economic costs due to existing inefficiencies, America must have a clear strategy to improve freight mobility and the movement of goods from farm and factory to market. To do so, I strongly encourage you to establish a high-level and coordinated multimodal freight initiative at the U.S. Department of Transportation using your existing administrative authority. If established, this initiative office should report directly to you, include a special assistant designated with specific responsibility for freight movement, and endeavor to improve federal freight policy, planning, and investment across all modes.

Strengthening the federal role in freight mobility can deliver system-wide benefits that will help our recovering economy better accommodate growing imports and exports. In fact, the idea of creating one operating office to lead the coordination of intermodal freight was recommended by the U.S. Government Accountability Office (GAO) in June 2007, and further underscored by its February 28, 2012 report on *Opportunities to Reduce Duplication, Overlap and Fragmentation, Achieve Savings, and Enhance Revenue*. A freight initiative should aim to increase the Department's ability to prioritize and expedite projects without increasing staff numbers and expense, while still maintaining a strong commitment to environmental protections.

I would suggest that this high-level and coordinated multimodal freight initiative be comprised of freight elements from all the U.S. Department of Transportation administrations and be specifically charged, under existing authorities, with:

- 1) Improving coordination and multimodal freight planning across all modes and U.S. Department of Transportation operating administrations.
- 2) Assisting in the evaluation, cost-benefit analysis, and prioritization of proposed federal freight investments and loan programs and their strategic importance to our interconnected national freight network of highways, railways, waterways, seaports, and airports, including leading the development of the national freight strategic plan included in *Moving Ahead for Progress in the 21st Century*.

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- 3) Facilitating coordinated freight corridor planning between state, local and port entities and private sector stakeholders.
- 4) Identifying the unique process issues that arise in completing freight projects due to their public-private nature and creating an action plan to improve efficiencies.
- 5) Establishing a defined, meaningful and collaborative advisory partnership with private, non-profit, and public sector freight stakeholders in highway, rail, maritime, port, and aviation sectors.

A high-level freight initiative could eliminate duplication and ensure America's federal freight priorities are coordinated across all modes, helping the nation to prioritize and focus our investments on projects that have the maximum benefit to the economy and taxpayer. This initiative could also help alleviate the problem resulting from the fact that many freight projects are multimodal and sometimes require redundant approvals for a single project. The proposed freight initiative could assume a coordinating role among various offices, reducing costly repetitious work while upholding our obligation to the environment.

Our freight network has many critical partners in both the public and private sectors. As vested interests in a well-functioning system, these partners are in the best position to assist in the search for ways to create efficiencies and leverage federal resources in the freight corridor planning process. In light of this, one goal of the high-level freight initiative should be to create a defined advisory partnership to bring all freight sectors to the table to gain from their diverse experience, connectivity needs, and economic roles. Many freight projects are completed through public-private partnerships so it is important that private sector organizations are able to collaborate to share information and counsel.

A high-level freight office has the support of industry stakeholders such as the American Association of State Highway and Transportation Officials. The American Association of Port Authorities has stated that the creation of a freight office "represents an opportunity for a great deal of consolidation and process streamlining among the various agencies that work together to move freight." The Coalition for America's Gateways and Trade Corridors writes that "providing for an office dedicated to the nation's multimodal goods movement is a vital and long overdue step forward." Further, the Freight Stakeholders Coalition's surface transportation reauthorization platform calls for establishing a new multimodal freight office, an industry advisory group, and for increasing the emphasis on multimodal and corridor freight planning. The Coalition represents a diverse set of shippers, public transportation entities, and private freight transportation providers nationwide.

Additionally, bringing more focus to the federal role in freight will help the United States address the competitive challenge our ports and other freight stakeholders are facing from Mexico and Canada. Canada's decision to elevate the importance of freight mobility is part of the reason behind the emergence of Canadian ports as serious competition for U.S.-bound cargo.

I strongly encourage you to look to the Pacific Northwest as one example of successful freight coordination, prioritization, and collaboration. In Washington state, our Freight Mobility Strategic Investment Board (FMSIB) has brought together representatives of the trucking, railroad, maritime, and port industries with state and local government stakeholders to forge an innovative and equal partnership to promote freight mobility – a partnership that recognizes the need to improve our freight network as a whole, and not just focus on any single mode. It is my hope that any administrative initiative to improve our freight network recognizes that our many modes of transportation must work together to speed goods to market in cooperation with the public, private, and non-profit sectors.

Part of the reason that freight priorities have been successfully addressed in Washington state is the collaboration between FMSIB and the Washington State Department of Transportation in identifying the strategic highway, rail, and maritime freight corridors. Active engagement with stakeholders has helped this collaboration plan improvements to the network and identify bottlenecks needing attention and improvements to benefit the movement of goods.

I urge you to move forward on the development of a high-level and coordinated multimodal freight initiative at the U.S. Department of Transportation to improve the management of freight programs, investment, coordination, and planning. This initiative should tear down bureaucratic barriers and inefficiencies to better coordinate policy and strategic investments across all modes, recognize the meaningful and collaborative input of private, nonprofit, and public-sector freight stakeholders, and support the National Export Initiative. Americans need a smarter and more efficient approach to freight policy that is strategic about our position as a competitor in the worldwide marketplace and the need for an improved nationwide network that supports job growth long into the future.

Sincerely,



Maria Cantwell
United States Senator